



# ***JPRS Report***

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## **East Asia**

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***Southeast Asia***

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**COALITION GOVERNMENT OF  
DEMOCRATIC KAMPUCHEA**

**ANS Cited in Raid on PAVN, PRK Forces**  
42000055 Bangkok *THE NATION* in English  
15 Nov 88 p 4

[Excerpt] The Sihanoukist National Army (ANS), one of the three Khmer groups fighting the Vietnamese in Cambodia, recently issued a photo [picture shows overturned

APC in a field] of what it claimed to be an armored personnel carrier (APC) of the Vietnamese-Hun Sen troops that was destroyed in an ambush.

ANS said in a press release accompanying the photo that the carrier, a BTR-60, was destroyed by the so-called 9th Brigade of the ANS forces on a road near Kauk Mon village in Samrong district of Oddor Meanchey province. [passage omitted]

**Envoy to Australia Discusses Joint Relations**  
*42130027b Jakarta MERDEKA in Indonesian*  
8 Nov 88 pp 1, 11

[Text] Jakarta, Monday [7 November], MERDEKA—There are three issues that prompt suspicion of Indonesia among the Australian people: transmigration, East Timor, and human rights.

After calling on President Suharto at the Bina Graha, Indonesian Ambassador to Australia Rusman Nuryadin said in response to reporters' questions that Australia feels the transmigration program in Irian Jaya will crowd the native inhabitants there to the point that they will cross over to neighboring Papua New Guinea. Australia feels this could disrupt the stability of the neighboring state.

"As has been frequently explained, however, even by President Suharto, the transmigration program is a policy of ours for the development of the entire archipelago designed to improve the welfare of the people," said Rusman.

The Australian Government has actually recognized East Timor's sovereignty and integration into Indonesian territory. As far as human rights are concerned, Australia always looks at the issue through its own eyeglasses, not Indonesia's, in spite of the fact that Indonesia is a state of law.

Nevertheless, Rusman said, it is hoped that this suspicion will be gradually eliminated through more visits by officials, young people, and members of the community of the two countries. Rusman feels such suspicions have arisen because Australians do not have a thorough acquaintance with Indonesian culture.

"It's natural that there should be matters that cause friction. As long as they do not involve the dignity and prestige of our people, we can certainly resolve them wisely and completely. Prestige is the thing we have to protect," he said.

He also explained that relations between Indonesia and Australia have been very good and are day by day increasingly stable. This is evident in bilateral, regional, and global relations.

When asked his opinion on the stationing of Australian Army engineers in Papua New Guinea, he said he did not have any information on the matter. "Papua New Guinea and South Pacific states have very close ties with Australia, which include defense and security cooperation," he said.

He said there are still many things that can be resolved in bilateral relations, such as the Timor Gap matter. Although both sides have agreed, full satisfaction has not yet been reached, for the two governments and their legislative bodies must still ratify it.

There has also been growth in the cultural sector. Indonesia recently participated in the Australian Expo 88, which turned out to be very well attended. A total of 800,000 visitors had been expected, but twice that many actually attended. Indonesia displayed various kinds of national art in the expo.

Touching on economic ties between the two countries, he said trade relations continue to grow. Between 1980 and 1988, trade between the countries reached an average of \$856 million. Last year it reached a high point of \$1.149 billion.

**Security Clearance, Other Requirements for Visiting China**

*42130027d Jakarta KOMPAS in Indonesian*  
10 Nov 88 pp 1, 8

[Text] Jakarta, KOMPAS—Indonesian citizens who want to visit the PRC must follow established procedures, which include seeking a security clearance from BAKIN (Intelligence Coordination Board). A person who goes to China without a security clearance is in violation of regulations and may incur penalties.

DIRJEN [Director General] for Immigration Roni Sinuraya said this on Tuesday [8 November] in reply to press questions about the growing number of Indonesian citizens who go to the PRC illegally, meaning that they go without reporting first to BAKIN or they misuse the permission they are given.

He did not specify how many people have gone illegally. "What is certain is that the ratio of people who visit the PRC illegally to those who go legally is 10 to 1," declared Sinuraya.

**Mas Agung Case**

Several cases of violations have been handled by Immigration, including the recent one involving the person of H. Mas Agung. Mas Agung's passport was confiscated for a period yet to be determined. "He misused the permission that had been given him," said Sinuraya.

He said Mas Agung had gone to the PRC by invitation, but it turned out that he gave a lecture. We do not know what he said in his lecture. "We are not questioning the subject of his lecture. What is clear is that he gave a lecture, whereas he did not have permission for that," Sinuraya explained.

The DIRJEN explained further that under a 1985 decision of the Minister of Justice, which is still in effect, Indonesian citizens may visit the PRC only for certain purposes. These purposes are expansion of direct trade mechanisms, attendance at UN-sponsored international conferences, and participation in athletic competitions.

Each such occasion must have a recommendation from the organization involved. For trade visits, for example, there must be a recommendation from the China Committee of KADIN (Chamber of Commerce and Industry). For athletics, recommendation is sought from DEPLU [Department of Foreign Affairs] and KONI (Indonesian National Athletic Committee).

He added that a security clearance from BAKIN is good for only one trip. The way is not closed, however, for a person to make several visits to the PRC, nor is it closed to the possibility of going for purposes other than the three specified ones.

The issue sometimes involves humanitarian aspects, such as medical treatment or other things. There have been many requests like that, according to the DIRJEN. Nevertheless, the government continues to be selective in giving permission to Indonesia citizens to go to the PRC.

He added that these regulations also apply to PRC citizens who want to visit Indonesia. Before a person comes, he must get a security clearance from BAKIN. "Thus, besides a visa the government adds other requirements specifically for PRC citizens," he said. Although there has been an increase recently in the number of PRC people coming to Indonesia, it is easier from the supervision aspect since a PRC citizen cannot enter without a security clearance.

#### **BKPM Chairman Reports Increasing Foreign Investment**

42130027c Jakarta KOMPAS in Indonesian  
9 Nov 88 p 2

[Excerpt] Jakarta, KOMPAS—The current investment climate in Indonesia is very good, and obstacles of the past, like licenses and infrastructure, have gradually been overcome. The value of approved foreign investments in 1988, as of this November, has reached three times that of the previous year.

Engr Sanyoto Sastrowardoyo, chairman of the BKPM (Capital Investment Coordination Board) said this yesterday, Tuesday, after meeting with 15 Swiss businessmen, who were escorted by the Swiss ambassador in Jakarta.

He said the total value of foreign investments in Indonesia in 1986, for example, was only \$826 million and in 1987 \$1.4 billion. This year as of November the total has reached more than \$4 billion.

#### **South Korea**

In this connection, on Sanyoto's visit to South Korea last month with a group of national businessmen, he obtained commitments from South Korean businessmen for the investment of \$159 million in Indonesia. This investment is considerable, seeing that up to now their total investment has been only \$303 million for 34 projects.

The commitments of the South Korean businessmen include projects for rubber shoes, latex, toys, MSG [monosodium glutamate], leather tanning, electronics, and stainless steel household furniture. "They don't want to invest in Thailand because that country is full of Japanese investors, and they feel that over the long term investments are more attractive in Indonesia than in Malaysia," Sanyoto said.

He said cooperation with South Korea is more profitable because it already has marketing channels to the whole world. That country is now very interested in building factories oriented to exports, for their U.S. import duty relief under the GSP (Generalized System of Preferences) is soon to be withdrawn.

Similarly, on his visit to Japan at the invitation of Fuji Bank, Sanyoto obtained Japanese commitment for investment of \$12 million for the construction of an electronics component factory. [passage omitted]

#### **Oil Export Value Falls, LNG Export Value Rises**

42000050b Jakarta ANTARA NEWS BULLETIN  
in English 27 Nov 88 p A5

[Text] Jakarta, Nov 27 (ANTARA)—Indonesia's crude exports were worth \$3.767 million in the first 8 months of this year, down by about 8 percent compared with \$4.087 million in the corresponding period of 1987, according to data obtained from Bank Indonesia.

The \$3.767 million worth of crude exports Indonesia recorded in the first 8 months of this year comprised \$1.854 million earned by Pertamina and \$1.913 million by foreign contractors.

Indonesia's exports of crude oil mostly go to the United States, Japan, Singapore and South Korea.

The supply of liquefied natural gas (LNG) from Indonesia to the export market rose by about 26.7 percent in value, from \$1.472 million in the first 7 months of 1987 to \$1.866 million in the same period this year.

The main destination of Indonesia's LNG exports consists of Japan and South Korea, and the supply is scheduled to be expanded to Taiwan in the coming several years.

#### **Sutrisno Describes Structure of New Agency**

42130028a Jakarta KOMPAS in Indonesian  
11 Nov 88 p 1

[Excerpt] Jakarta, KOMPAS—BAKORSTANAS (Agency for Coordination of Support for National Stability), the new organization formed under KEPPRES (Presidential Decision) 29 of 1988, dated 5 September 1988, to replace KOPKAMTIB [Command for the Restoration of Security and Order], was provided yesterday, Thursday (10 November), with a secretariat to support the smooth performance of the agency's duties. The BAKORSTANAS

Secretariat was officially created yesterday at the first BAKORSTANAS meeting, which was attended by the agency's chairman and permanent members. The meeting also marked the initiation of BAKORSTANAS operations.

PANGAB [Armed Forces Commander] General Try Sutrisno, as chairman of BAKORSTANAS, announced the secretariat's organizational structure and personnel at a press conference at ABRI MABES [Headquarters] on Thursday [10 November]. The BAKORSTANAS Secretariat is headed by a chief secretary and is made up of seven sector secretaries and a General Sector chief. In compliance with the KEPPRES, the secretariat is operated functionally by a work unit within ABRI MABES.

The complete organization and personnel of the BAKORSTANAS Secretariat are as follows: The position of chief secretary is held by ABRI KASUM [chief of General Staff]; secretary for Sector I by ASINTEL [assistant for intelligence] to ABRI KASUM; secretary for Sector II by ASOPS [assistant for operations] to ABRI KASUM; secretary for Sector III by ASTER [territorial assistant] to ABRI KASUM; secretary for Sector IV by ASKAMTIBMAS [assistant for security and order in the community] to ABRI KASUM; secretary for Sector V by ASSOSPOL [assistant for sociopolitical affairs] to ABRI KASSOSPOL [chief of Sociopolitical Staff]; secretary for Sector VI by chief of ABRI BAIS [Armed Forces' Strategic Intelligence Agency]; secretary for Sector VII by Air Vice Marshal Kahardiman; and chief of the General Sector by Brigadier General Sutopo Paat.

Try Sutrisno explained that he, as chairman of BAKORSTANAS, and his staff have drafted and enacted organizational and procedural fundamentals for BAKORSTANASDA's [Regional Agencies for Coordination of Support for National Stability], which will serve as BAKORSTANAS administrators in the provinces and will be headed by the respective PANGDAM's [Military Region commanders]. The permanent members of each are the governor, the KAJATI [chief public prosecutor], the KAPOLDA [chief of Provincial Police], the DAN-REM's [Military Area commanders] and KAPOLWIL's [chiefs of Regional Police], and representatives of the Army, Air Force, and Navy. He and his staff also drafted and enacted a BAKORSTANAS master program for 1989-93, which contains targets and patterns for the agency's operations as guidance for the compilation of a work program.

Without giving further detail, Try Sutrisno, who was accompanied by ABRI KAPUSPEN [chief of Information Center] Brigadier General Nurhadi Purwosaputro, MS, explained that his agency will also categorize KOPKAMTIB products, in compliance with paragraph 14 of KEPRES 29. The categories are: items still relevant and still in force, items still relevant but needing rewording, and items that are no longer appropriate and should be rescinded. It will take time, of course, to complete all of this.

"In implementing their duties, members of BAKORSTANAS and BAKORSTANASDA's will be guided by principles of protective concern, agreement by consensus, openness, cooperation, consultation, discipline, and functionality," said Try Sutrisno. [passage omitted]

**GOLKAR Disclaims Ties With Religious Groups**  
42130028b Jakarta PELITA in Indonesian  
12 Nov 88 pp 1, 11

[Text] Padang, PELITA—A. Karim Jamak's Al-Jamiatul Islamiyah Koran recitation group at Sungai Penuh, Kerinci (Jambi), and the Organization of Islamic Propagation Workers (LEMKARI) now spreading its teachings at Ulak Karang, Padang, have no relationship or connection whatsoever with the Functional Groups (GOLKAR) organization.

S.M. Taufik Thaib, SH [Master of Laws], secretary of the West Sumatra Level I DPD [Regional Executive Council] of GOLKAR, explained this to PELITA at Padang yesterday afternoon. Citing Laws 3/1988 and 8/1988 on mass organizations, S.M. Taufik Thaib explained that GOLKAR has absolutely no connection, either legal or organizational, with any mass organization.

The West Sumatra GOLKAR DPD secretary made this explanation in reply to PELITA questions about statements made by A. Karim Jamak's Al-Jamiatul Islamiyah and LEMKARI that the two organizations are affiliated with GOLKAR.

**Not Registered**

The secretary further declared that neither LEMKARI or the Al-Jamiatul Islamiyah, taught by A. Karim Jamak, have ever been registered as organizations under GOLKAR, at least in the West Sumatra Province.

Therefore, the West Sumatra GOLKAR DPD warns everyone that A. Karim Jamak's Al-Jamiatul Islamiyah and LEMKARI are wrong in claiming the name of GOLKAR, for neither organization has any connection at all with GOLKAR. "The operations and activities of the two organizations are their own responsibility," declared S.M. Taufik Thaib.

He urged all GOLKAR leaders and members in West Sumatra to avoid being influenced by blandishments and statements of groups claiming the name of GOLKAR. Anyone having any problem at GOLKAR regional levels should consult immediately with other GOLKAR leadership elements.

In the name of the West Sumatra GOLKAR DPD, S.M. Taufik Thaib then called on the West Sumatra Regional Office of the Department of Religion and its branches and on the Indonesian Muslim Scholars Council (MUI) in West Sumatra to urge and reinstruct members of the community to return to true Islamic teachings if they have unwittingly taken part in the activities of Koran reading groups or organizations that deceive the public. The West Sumatra DPD secretary provided this explanation to PELITA yesterday at Padang.

#### **GOLKAR To Dismiss Members Involved in PKI Coup**

42130028d Jakarta MERDEKA in Indonesian  
24 Nov 88 pp 1, 11

[Excerpt] Jakarta, Wednesday [23 November], MERDEKA—Rachmat Witoelar, secretary-general of the GOLKAR DPP [Central Executive Council], said that, consistent with the spirit of MUNAS [National Conference] IV, the DPP is intent on "cleansing" the GOLKAR organization of individuals who are "impaired" by stipulations in the body's constitution and bylaws (AD/ART).

"In doing this, we will not consider whether a person is from DPP elements or not. All actions will be taken based on facts and the substance of issues," Rachmat said in an interview with MERDEKA at the GOLKAR DPP Secretariat at Slipi, Jakarta, on Wednesday.

If it turns out that such individuals are members of high-level institutions or even of top-level state bodies, he said, and if it is evident that they are truly guilty of serious wrongs, especially of positive involvement in G-30-S/PKI [30 September Movement/Indonesian Communist Party], they will be dismissed from membership.

When asked when such action will be taken, he said it is not certain yet, for the issues, primarily involvement in G-30-S/PKI, were not in the list of matters submitted by the outgoing DPP to the new one.

With regard to this issue, he said, when a GOLKAR member has been proven guilty, his activities will be suspended. The person involved will then be given a severe warning, for it is possible that he erred unwittingly.

"What is certain is that he will be released from any strategic position," he said, explaining that before a penalty is meted out the person involved will be afforded a forum where he may defend himself, since GOLKAR adheres to the principle of presumption of innocence.

In reply to a question about the many voices charging that there are still individuals in GOLKAR who have not mended their ways and about whether GOLKAR has tried to track down the truth of such reports, Rachmat replied, "If many such reports are heard, we usually order the Department of Organization, Membership,

and Cadre (OKK) to check whether they are true. If the information is correct, the penalties we will hand down will be as I explained earlier. It depends on the substance of the issues."

He noted that in this matter, however, the GOLKAR DPP is not an institution with the right to investigate people in the context of security. "But never fear. We are always open to information from the community or individuals in connection with the goal of being an organization as mandated by MUNAS, that is, one that supports the New Order, practices Pancasila, and so on—in short, an exemplary organization," he said further.

#### **Sartojo Case**

In response to a question about the case of Sartojo's resignation from the chairmanship of the GOLKAR DPP Department of Agriculture and Fisheries for the 1988-93 term of office, Rachmat sadly acknowledged that he was very concerned.

"This has been a very valuable experience to us, however," he said.

The secretary-general told reporters on Tuesday afternoon [22 November] that, after the matter had been discussed in a meeting of the DPP managing directors led by General Chairman Wahono, it was decided that the GOLKAR DPP would accept Sartojo Prawirosudjo's resignation, which had been submitted on 18 November. The matter will be submitted to the Management Council as quickly as possible so that a replacement can be sought immediately.

He said that Sartojo's justification for his resignation was his health, for he has long had heart disease. Sartojo had attached three doctor's certificates to his letter of resignation.

Rachmat admitted that he felt relieved over Sartojo's resignation. Although the issue was not discussed in the previously mentioned meeting, the many voices alleging that Sartojo had not mended his ways considerably hindered the GOLKAR DPP in doing more productive things and clearly disrupted concentration. [passage omitted]

#### **East Java Authorities Suspend Religious Group**

42130028c Jakarta PELITA in Indonesian  
23 Nov 88 pp 1, 11

[Excerpt] Surabaya, PELITA—East Java LEMKARI (Organization of Islamic Propagation Workers) finally has been suspended. The decision was announced yesterday by PANGDAM [Commander of Military Region] V/Brawijaya Major General Sugeng Subroto, who said the governor of East Java will issue a letter of decision soon.

The PANGDAM, who was accompanied by East Java KAJATI [Chief Public Prosecutor] E.N. Suwandha, SH [Master of Laws], and East Java KAPOLDA [Chief of Provincial Police] Police Major General Drs Slamet Sidhik Permana, said that meetings had been held with Hasril Harun, KADIT SOSPOL PEMDA [chief of Regional Government Sociopolitical Affairs Directorate] of East Java, and K.H. [Islamic Scholar and Pilgrim] Misbach, director of the East Java branch of the MUI [Indonesian Muslim Scholars Council].

The meeting, which was held at the PANGDAM's residence, thoroughly discussed the case and considered reports received from a team that had been formed earlier. In November, the team had gathered data in level II regions in East Java where the LEMKARI organization has propagated its teachings.

The PANGDAM V said the East Java government is very concerned about every development in the province, especially any that tend to cause unrest in the community.

#### Monitor Team

PANGDAM Sugeng Subroto also said that according to data they possess there are about 50,000 LEMKARI members scattered throughout East Java. Information about them has been gathered. After the suspension decision has been issued by the governor of East Java, the government will form a special team to monitor the actions of LEMKARI members. Whether they leave this false teaching or not depends on their own awareness. This will be the work of the team that is to be formed.

East Java KAJATI E.N. Suwandha took the opportunity to explain that the government will nevertheless continue to note the difference between regular LEMKARI members and those who propagated the Darul Hadist (Islam Djamaah) teachings. The targets of the action to supervise members of the suspended LEMKARI group are those who have infiltrated the Darul Hadist false teachings into the organization.

Suwandha did not deny the possibility that there may be groups who intentionally refuse to relinquish the false teachings and who may in fact try to infiltrate other organizations. Files will be assembled on these groups, which will then be prosecuted immediately.

The chief prosecutor called on the community to remain calm and peaceful, for the government's action in suspending LEMKARI has been thoroughly considered.

#### MUI Statement

Meanwhile, the chairman of the East Java MUI said to PELITA in a separate statement in Surabaya that agreement by the government to suspend LEMKARI in East Java was the fruit of the team's investigation down to the village level.

K.H. Misbach acknowledged that many cases of deviation from Islamic teaching had been found among some LEMKARI members as a result of infiltration by Darul Hadist adherents, remnants of which are in fact still numerous in East Java.

The MUI chairman said that when the governor of East Java issues the letter of decision the MUI will return to the field to give awareness to members who were deceived. [passage omitted]

#### Education Minister, Students Debate Academic Issues

42130027a Jakarta SUARA PEMBARUAN in Indonesian 7 Nov 88 pp 1, 11

[Excerpt] Bandung, 7 Nov—Minister of Education and Culture Prof Dr Fuad Hassan declared that there is no country in the world where students have academic platform freedom. They merely have academic freedom. Many members of the academic community have been confusing the concept or understanding of academic platform freedom with academic freedom.

"In the history of world higher education the term 'campus freedom' does not exist. Historically, those who have academic platform freedom are merely the professors, who have authority in their fields. In Indonesia, however, even established lecturers now have academic platform freedom," Fuad Hassan told 23 students of the Bandung Technology Institute (ITB) representing 23 ITB students associations on Saturday afternoon (5 November) at the ITB campus.

Fuad Hassan had come to Bandung on Saturday morning only to perform the official closing of an exhibition held since 20 October by academic community members in the fine arts field. At the urging of ITB students through ITB Assistant Rector III Dr Joedil Kahar, the minister agreed to hold a 1-hour dialogue. Following the closed meeting, about 100 ITB students greeted Fuad Hassan with posters demanding campus autonomy in Indonesia. In fact, several students urged Fuad to continue the dialogue at the basketball court, about 10 meters from the place of the meeting. Fuad politely declined, and, with the help of a security officer and his adjutant, he and ITB Rector Prof Dr Hariadi P. Soepangkat were able to enter their car and leave the campus.

#### Questions

During the dialogue, five ITB students had the opportunity to submit various questions, including some related to academic freedom, current higher education rules and systems, NKK (Normalization of Campus Life), BKK (Student Coordination Board), RUUPN (Higher Education Draft Legislation), and student organizations. Some questioners were occasionally stymied when Fuad urged them to define terms they had used. They also often expressed opinions that were unclear, unsystematic, or

without good arguments. Fuad therefore frequently responded while a questioner was still speaking, and vice versa. Thus, Fuad and a questioner were often speaking at the same time, and each one insisted on his own opinion. The dialogue was often like an irrational argument.

When a student said he could not accept the academic norm that academic platform freedom was the right of only certain lecturers, Fuad declared, "If you consider it not to be a norm and that anyone has the right, I see that any further debate is in vain." At another time, however, a questioner declared, "I ask that you don't cut me off while I'm speaking!"

At the beginning of the dialogue, Fuad said there has been a great decline in the activity and conduct of members of our academic community. There are now many higher education activities that are inconsistent with academic values and norms. There are also many members of the academic community who do not have the behavior and attitudes of academic individuals.

Fuad also criticized present-day students who raise issues, such as NKK, BKK, student councils, etc., that

are merely superficial and do not deal with substance. Fuad said he strongly hopes students will consider substantive and not superficial issues. "Whatever the name of a student organization, if it's empty, it's empty. But if the name of the organization is 'ITB Students Club,' for example, but its activities are consistent with the aspirations of ITB students, it will have great meaning," said Fuad, speaking as an academician.

According to Fuad, the most important thing now is to develop members of the academic community who have attitudes and conduct that are truly academic. The prestige of the academic community depends on the extent of each member's academic conduct.

Based on his observation, Fuad concludes that whether students are active, creative, and productive or not does not depend on current higher education systems and rules. As proof of this, there are many creative and productive students in the academic world. [passage omitted]

**Commentator Reacts to Thai Reluctance on Investment**

*Vientiane VIENTIANE MAI in Lao 4 Oct 88 p 2*

[Talk' Column by S. Simouksavan: "How Far Will They Go in Their Objections?"]

[Text] On the afternoon of 30 September, Radio Thailand, broadcast from Nongkhai Province, quoted a high-level leader in Thai political circles, the head of the Thai Foreign Ministry. He was providing guidance to their embassy in the LPDR, telling the embassy to keep track of the Thai traders and companies doing business and investing in the LPDR. He told them "Don't pour in vast sums as investments in the LPDR because there are no guarantees which carry the force of international law."

By this statement we can see the true attitude of the person who bears the highest responsibility in the Thai MFA: General Sitthi Sawetsila. He is still adhering to a hard line, preferring confrontation and implementing policies in the service of those foreign countries who are pushing these things behind the scenes. In fact, these unconstructive statements by the Thai foreign minister who wishes to obstruct Lao-Thai relations are nothing new, to the point where it can be said that they are deeply imbedded in his thinking.

In the past we had thought that it was the weak, inefficient administration of the chief of the Prem government itself which hadn't grasped foreign policy issues, but now there is a new Thai government which calls itself the development and peace government. It would appear that they are still carrying out the same old dark policies in all Thai political circles even though the head of the Thai government Major General Chatchai Chunhavan has stated repeatedly that he will turn the three Indochina countries from battlegrounds to markets and fields for cooperation. This has brought great joy to the people in this region, especially those in Laos and Thailand. The Lao people and government are always ready to open their arms in a spirit of friendship to people of goodwill. This can be seen in the common trade and exchanges in various sectors between Laos and Thailand. This clearly affirms the principled attitude and policies which demonstrate that we want to live in peace with everyone on the basis of mutual respect for the independence, sovereignty, territorial integrity, and mutual interest.

For these reasons, recently the Supreme People's Assembly promulgated the LPDR Law on Foreign Investment. This enlarged by another step the opening of doors for businessmen and traders the world over to invest in and trade with the LPDR. This does not mean only those traders and investors in Thailand who are interested in and have taken a look at Lao foreign policy, but it also includes businessmen from many, many countries who have come in to establish trade relations and have signed agreements for trade and investment with Laos. Those people are not just blindly signing agreements as so

ignorantly stated by the Thai foreign minister who spoke without thinking. He has done this so often, both in the past and present, in order to baselessly slander us. [The businessmen] have read and studied most carefully each and every clause in the investment law. They have come to study the data very carefully and have seen the possibilities for cooperation with Laos with benefits for both sides. Speaking specifically about businessmen from Thailand, one can clearly see that things have been facilitated for them by the Lao government as they come to trade and invest in the LPDR. Many of them are saying that trading with Laos is more direct even than doing business in their own country. Here they mean the "under the table" payments they have to make to those in power before they can reach their goal of doing business. In Laos, with the government as a major shareholder, one does not have to deal with the middleman who is standing by to obstruct things and grab his share from the businessman as is the case in Thailand. Businessmen from other countries who have invested in Thailand have given their personal opinions that they have confidence in the Lao government's policies toward foreign investors. This is not the case in Thailand where they are always afraid of coups staged by those in the government itself.

When they speak of having no guarantees with the force of international law, it would appear that it is a way to intimidate [investors]. As for the Thai foreign ministry boss's words of advice to the Thai embassy, it must be understood that Laos is an independent country with full sovereignty. It is also a full member of the UN. It has promulgated a foreign investment law which is recognized by the international community as to the rights and benefits of those receiving the investment and the investors. The clarity of the clauses of this law are recognized not only in the LPDR, but have been disseminated to all countries where there is a Lao embassy. With such words [by the Thai foreign minister], there will probably be a closing of doors and a nonrecognition of any movement by the LPDR. The Thai Foreign Ministry statement is no different from past incidents of bloodshed along the Lao-Thai border in Laos' Boten District and Thailand's Chattrakan District in which the foreign ministry denied seeing the letter and recommendations of the Lao foreign ministry which sought political negotiations to curtail the dispute peacefully. Be that as it may, this advice is not to say that the Thai foreign ministry will not acknowledge the LPDR Law on Foreign Investment. Rather it is malice on the part of the boss of the Thai foreign ministry who has but one objective: to raise power obstructions of all types so that Lao-Thai commercial relations and investment between Laos and Thailand will not proceed as smoothly as they currently are.

After the Foreign Investment Law was implemented, it can be seen that the views of businessmen and organizations in Thailand were those of a people who love peace and justice wanting to live together peacefully without aggression and exploitation. Laos is in the process of

transforming and building a socialist country. Thus it requires great cooperation and assistance from friends the world over, from those of good will. It especially opens its arms to accept friendship from its neighbors. So it should come as no surprise that businessmen, investors and progressive people in Thailand would extend a hand in support of this task of national construction, creating perpetual progress for the Lao people in the interests of both sides. So why the voices raised which obstruct Lao-Thai cooperation? We do not know how far the boss of the Thai foreign ministry will take his objections to cooperative relations.

### **PASASON Urges Commodity Production in Agriculture**

42060006c Vientiane PASASON in Lao  
20 Aug 88 pp 1, 4

[Excerpts] During the fourth session of the sixth Congress the LPRP Central Committee criticized several incorrect views regarding agricultural production in our country over the past years. Not enough attention has been given to agriculture, as has been given to timber and export affairs. The work techniques have remained feudal, there being no close contact with either the grassroots or the farmers. They are unable to see the urgent need for this, and they have made an incorrect assessment of the capability for expanding agriculture. What is even worse is that in many localities and local work sections as well as in the center the party committees and the administrative committees have not adequately carried out their responsibilities. Agriculture has not been improved and the standard of living for the farmers has not risen, and the expansion of agricultural production in our country has been delayed. This experience has clearly shown us that the localities which do not fare well will encounter starvation. When this occurs they will have to use most of their principal to purchase rice. This will have an effect on other areas of basic and necessary construction, and the result will be no foundation for advancement.

This situation indicates that if we do not change agriculture to commodity production and if the business mechanism is not used to promote agriculture, we will not be able to expand production no matter how much we invest in production. Also, if we continue to use elementary methods in agriculture which depend on nature, as we are doing at the present time, it will be difficult for us to have adequate food and sufficient raw materials for industry.

It is therefore necessary to change to the method for producing goods by agricultural production soon in order for the workers to carry out sensible exploitation of natural resources and replace the all-for-oneself type of production by the production of goods for society so as to open up the rural markets and increase domestic goods, lessen our dependence on foreign countries, create a lever for expanding production, and convert from basic production techniques to the new ones so that

more agricultural sections will be organized and expanded. In order for our country's agriculture to proceed in this direction we must first of all work to do away with the natural economy which has been dragging on for a long time, and strive to make the agricultural sector an important source of production with a large selection and high quality both for domestic needs as well as for export, and to make it a source of raw materials for industry. In order to reach this goal there is an urgent need to broaden agriculture, making good use of the existing land and forests and changing to business production. This is an important problem, and the expansion of our country's agriculture in the future is expected to be a great source of basic funds to advance our country.

The improvement envisioned for agriculture is a long-term process because our nation's economy is still backward with hardly any industry. Our industrialization must begin with agriculture, and this will take a long time.

Comrade Secretary General Kaysone Phomvihane pointed out in the fourth session of the 6th LPRP Central Committee Congress that the period from now to the year 2000 will generally be a time of extensive cooperation, work division and fundamental technical improvement. This period coincides with the period of building factories in the historical expansion of capitalism in going from small-scale to large-scale production.

As for setting the pace for our country's agricultural expansion from now to the year 2000, the 6th LPRP Central Committee Congress states that the first step from now to 1990 to 1991 is to find an effective solution for the food problem, limit slash-and-burn in the forests, expand the size of agriculture, engage in intensive agriculture, and prepare to promote various potentials for the years after 1990. The second step is from 1991 to 1995. This will be the government's third 5-year plan, which will expand the material and technical base for agriculture, bring machinery into the districts and other areas, develop work division in agriculture and start to change to [special production] in all areas, make the whole nation a manufacturing entity, and develop a national market. The third step is from 1996 to 2000. The aim of the government's fourth 5-year plan is to make visible the areas that change to specialized production, promote efficiency, upgrade factories in the manufacturing sector, accelerate the introduction of machinery into agriculture, add new hydropower sources, improve the communications and transportation system, and expand production for construction materials. Comrade Secretary Kaysone Phomvihane clearly indicated that "the new agricultural expansion that will produce economic goods from now to the year 2000 is in the first step of the transition period. It is the period of improving and expanding democracy in the direction toward socialism".

**Vientiane-Phnom Penh Agricultural Cooperation  
Memorandum**

*BK1712121588 Vientiane KPL in English*  
0917 GMT 17 Dec 88

[Excerpt] Vientiane, December 17 (KPL)—A memorandum on an agricultural cooperation between the Vientiane-Phnom Penh capitals was signed here on December 15. The document stipulates that the Lao side will

supply the Cambodian side with civil engineering instruments for irrigation construction and survey, vaccines for domestic animals, pesticide, chicks and others.

The Cambodian side will sponsor Lao technicians to do field study in pepper, rubber plantation and the culture of aquatic animals in Phnom Penh. The plan will come into effect from 1989. [passage omitted]

### Electronics Industry Exceeds Target

42130029b Kuala Lumpur BERITA HARIAN in Malay  
2 Nov 88 p 7

[Report by Noraini Ismail: "Progress of Electronics Industry Exceeds Target"]

[Text] Achievements of the nation's electronics industry since 1986 have exceeded the targets established in the Industrial Master Plan, especially in the semiconductor industry, which made the largest contribution, from the value aspect, to the country's exports.

Minister of Trade and Industry Datin Paduka Rafidah Aziz said the electronics and electrical industries are expected to continue to make the largest contribution to the nation's economy through continued government encouragement of investment, both foreign and domestic.

She also said the government will restudy all incentives being offered to the semiconductor industry.

The study will examine the current situation in industrial development, she said last night when she inaugurated the Motorola integrated semiconductor production plant at Serembang.

Datin Paduka Rafidah said that from 1980 until 3 September of this year 314 projects with capital investments of 2.4 billion ringgits had been approved in the electronics production sector. Foreign investments were estimated at almost 2 billion ringgits.

She said the Industrial Master Plan estimates that by 1995 the electronics industry will have production valued at 16.7 billion ringgits, made up of 10.2 billion ringgits in electronics components, 4.1 billion ringgits in electronics, and 2.4 billion ringgits in electronics industry materials.

Electronics production last year was valued at 8.9 billion ringgits, up 37 percent over 1986.

In the first 6 months of this year, the industry's overall production was valued at 5.8 billion ringgits, up 52 percent over the same period of the previous year.

The minister said the country exported 9.2 billion ringgits' worth of electronics materials last year, up 27 percent over the preceding year.

### Reaction to Musa Hitam's Refusal To Rejoin Cabinet

42130029a Kuala Lumpur BERITA HARIAN in Malay  
2 Nov 88 p 2

[Text] Kuala Lumpur, Tuesday [1 November]—Many Malay leaders are disappointed over Datuk Musa Hitam's decision to reject the prime minister's invitation to rejoin the cabinet for the sake of Malays and the country.

Nevertheless, they hope Datuk Musa will reconsider his decision for the sake of Malays and the future of the country, which needs his services now.

UMNO [United Malays National Organization] Vice-President Datuk Haji Wan Mokhtar Ahmad said Datuk Musa must recognize that Malays are no longer willing to face prolonged division.

"The country needs unity among all communal groups, especially among Malays, in order to have the respect of the world," he said.

Datuk Musa said in his statement last night that the ministerial post was not important to him and that it had no connection with the issue of Malay unity.

Datuk Haji Wan Mokhtar said the prime minister had set no time limit on acceptance of the offer by Datuk Musa and Tengku Razaleigh. Therefore, both of them should use Malay cultural philosophy in their thinking so as not to waste time and effort.

"In the present situation, I personally call on both of them to put aside their respective political prejudices against the prime minister, who has demonstrated his sincerity in making the offer," he said.

Haji Ahmad Shahibuddin Haji Mohd. Noor, secretary of the Kelantan UMNO Liaison Committee, regretted Datuk Musa's position of unwillingness to accept the prime minister's offer.

He said the offer by Datuk Seri Dr Mahathir Mohamad reflected the sincerity of his efforts to reunite not only UMNO members but all Malays as well.

"There is no valid reason for anyone to reject his sincere offer," he said.

Dr Ibrahim Saad, secretary of the Pulau Pinang UMNO Liaison Committee, said Datuk Musa's action could hurt the prime minister's sincere efforts to unite Malays.

He said Datuk Musa can become an ordinary member of UMNO if he thinks the ministerial post is not important to him.

Malacca Chief Minister Datuk Seri Abdul Rahim Tamby Chik also regretted Datuk Musa's decision to reject the offer, which he called an improper decision that belittles the prime minister's peace effort.

He said Datuk Musa should forget the things of the past and prove his sincerity toward creating Malay unity.

Negeri Sembilan Chief Minister Datuk Haji Mohd. Isa Abdul Samad also described Datuk Musa's reason for not accepting the offer as a pretext for running away from support to Malay unity.

"The reason that Datuk Musa gave in his statement is too general," he said.

Tan Aminuddin, head of Pahang UMNO Youth, said Malays have high hopes that Datuk Musa and Tengku Razaleigh will accept the offer.

With regard to Datuk Musa's charge that Datuk Seri Dr Mahathir and several other delegates had denounced and criticized him during the UMNO General Assembly last week, Tan Aminuddin was of the opinion that the criticism was made for the sake of understanding by Malays and in their interests.

#### **Sacrifice**

"Not only top leaders, but all Malays, too, will do the same thing if there are national leaders who err," he said.

Minister of Welfare Services Mustaffa Mohammad said Datuk Musa's decision to reject the prime minister's invitation will not help to foster Malay unity.

He regrets that the former deputy prime minister took such action in spite of the great sacrifice Datuk Seri Dr Mahathir Mohamad was forced to make in extending the offer.

"The posts of minister without portfolio may not be significant since Datuk Musa and Tengku Razaleigh once held more important positions in the cabinet.

"On the other hand, it must be noted that the offer provides them a forum for the discussion of issues related to Malay unity," he said.

#### **Report on First 6-Month's Trade**

42130021 Kuala Lumpur UTUSAN MALAYSIA  
in Malay 27 Sep 88 p 15

[Text] Kuala Lumpur, 26 September—Malaysia recorded a trade surplus of \$6.3 billion (Malaysian dollars) for the first 6 months of this year, an increase of 8.7 percent over the surplus of \$5.8 billion for the same period of last year.

In its monthly bulletin released here today, the Statistics Bureau noted that this increase was due to high export earnings of \$25.9 billion which more than balanced expenditures for imports, which rose to \$19.6 billion.

In the year under review, expenditures for imports rose by 36.7 percent to \$19.6 billion, with expenditures rising for all primary import components except fuels and engine oil.

Machinery and transportation equipment imports, which totaled \$8.6 billion, experienced rapid growth in the first half of this year. They also are primary import components and comprised 43.8 percent of total imports.

The biggest rise was recorded for a number of small components, principally electrical machinery and equipment (\$830.6 million), special machinery for certain industries (rose to \$512.8 million), and road vehicles (rose to \$367.7 million).

The import bill for factory-produced items rose to \$1.05 billion, an increase of 48.1 percent over the bill for the same period of the previous year.

More funds than previously were expended for iron and steel (rose to \$404.6 million), non-iron mineral (rose to \$200.9 million), and textile yarns and cloth imports (rose to \$157.5 million).

Chemical imports rose by 46.2 percent to \$2.25 billion with big increases occurring in plastics (rose to \$233.1 million), chemical goods and products (rose to \$117.2 million), organic chemical (rose to \$96.5 million), and fertilizer outlays (rose to \$79.3 million).

Food imports, which totaled \$1.8 billion, recorded an increase of 26.4 percent.

Looking again at the export sector, the report said Malaysian exports in the period in question increased by \$5.8 billion to \$25.9 billion, a rise of 28.7 percent.

Except for tin and petroleum products, all primary export commodities recorded high export earnings.

Rubber exports, valued at \$2.6 billion, increased by \$812.6 million (a rise of 45.1 percent) because of the increase in the value of exports (a 9.9 percent rise) supported by an increase (32 percent) in the FOB (free on board) price.

Palm oil export earnings of \$2.03 billion (a rise of 47.6 percent) and \$839.7 million for lumber (a 9 percent increase) were achieved.

Crude petroleum and liquified natural gas (LNG) recorded export earnings of \$3.3 billion and \$922.8 million, respectively, in the first 6 months of this year (a rise of 18 and 8.8 percent, respectively).

Although the FOB price declined somewhat (dropped by 2.2 percent), the large increase in total crude petroleum exports (a 20.6 percent increase) was responsible for the encouraging growth of these exports.

Tin exports fell to 23,556 tons (a drop of 9.6 percent), and the value of these exports dropped by \$22.8 million to \$416.2 million.

Trade with ASEAN countries continued to grow in the first half of this year and contributed to a larger surplus with these countries of \$2.7 billion (a 50.7 percent rise).

Exports rose 31.9 percent while imports rose 21 percent in the period under review.

### **Tin Miners Assessed Royalty Fee**

42130023a [Editorial Report] Kuala Lumpur BERITA HARIAN in Malay reported on page 2 of its 13 October 1988 issue Perak Chief Minister Haji Ramli Ngah Talib's announcement that tin ore miners will be levied a royalty fee—in addition to the export duty they are already paying—when the price of tin ore stabilizes at \$8 per kg. This royalty fee is a small form of income for the state, a charge that is already levied on sand, rock, and clay operations.

The tin ore price is currently \$7.70 per kg. Haji Ramli stated that operational costs will be considered in determining the royalty fee. He declared that even when the price of tin drops to \$6 or \$6.40 per kg, there are miners who can operate at a profit.

Responding to a request by the Chinese Miners Association that the state seek financial assistance from the federal government so as to eliminate the tin export duty, Ramli said that there is no provision for the state to do such a thing.

**Parliamentarians Comment on Copyright, U.S. Trade Issues**

42070029 Bangkok SIAM RAT SAPDA WICHAN  
in Thai 9-15 Oct 88 pp 16, 17

[Text] Chuti Krairuk, a Prachakon Thai MP From Phitsanulok

In 1973, the United States granted GSP rights to various countries. It said that it was doing this without expecting anything in return. But in 1988, the United States promulgated the Trade Bill. After promulgating this law, it charged that Thailand was not protecting intellectual property. It asked us to take action on this and various other matters. In 1983, the benefit that Thailand derived from the GSP.... That is, the GSP rights applied to only 12.4 percent of Thailand's exports to the United States. In 1985 this percentage was 7 percent, and in 1987 the percentage was 25 percent. Exports to the United States are estimated to be about 60 billion baht.

But at the same time, Thailand has given in to the United States on many issues. In particular, in order to maintain the alliance that Thailand has with the United States, Thailand has agreed to reduce its import tariffs as demanded by the United States. Thailand has lowered the import tariff on wheat from 2.30 baht to 1.80 baht per kg. The tariff on apples has been reduced from 60 percent to only 30 percent per kg. As requested by the United States, Thailand has reduced the import tariff on soybean protein from 35 percent to only 10 percent. But the United States has pressed for greater reductions. It has asked us to lower the import tariff on apples from 30 percent to only 10 percent and to reduce the tariff on soybean protein from 10 percent to 5 percent. Instead of the original tariff of 60 percent on apples, it wants a tariff of only 10 percent. It wants us to reduce the tariff on soybean protein from 35 percent to just 5 percent. Thailand has agreed to this.

What has the United States done for us in return? The United States has promulgated a law stipulating that if a country supports exports unfairly, the United States must have a counter tariff. This unfair trade is called C.V.D. The United States has retaliated against Thailand by increasing the tariff on textiles, with the normal rate being 1.23 percent. The tariff on steel wire has been increased to 15.6 percent, and the tariff on rice is now 0.824 percent. The tariff on steel joints has been increased 2.75 percent. The tariff on nails exported to the United States is 1 percent. As for ball bearings, changes have been made that these deviate from the specifications set by the Industrial Association. If this is true, the tariff will be increased by 17.83 percent.

At the same time, on 21 July 1986, South Korea proposed providing greater protection to intellectual property as requested by the United States and revising its laws to make them broader. This included the copyright, patent, and trademark laws. On 23 December 1986, South Korea had to reduce the barriers to importing

video equipment and television sets from the United States. These were all things demanded by the United States. Besides this, South Korea also revised its patent law and extended the patent period. The patents are now in effect for the period demanded by the United States. It also promulgated a law to protect computer software, which South Korea has, too. What was the result of all this? In January 1989, the United States will cut South Korea's GSP.

But that is not all. Singapore and Taiwan promulgated copyright and patent laws to provide greater protection. Their laws are now broader and more efficient. What was the effect of this? In January 1989, the GSP rights of both Singapore and Taiwan will be cut. What guarantee does Thailand have that the United States won't do the same thing to Thailand. The U.S. secretary of commerce has assured Thailand's prime minister that even if this trade bill is passed by Congress, it is the administration that must implement the law. But that is no guarantee. There is no assurance that the United States won't find some excuse to retaliate against us.

Surin Phitsuwan, a Democrat Party MP From Nakhon Sithammarat

Thailand cannot avoid the effects of the changes in the international trade situation. In the past, we exported only agricultural goods. But last year, 64.7 percent of our exports were industrial goods. In view of this, we will have to continue developing and will have to depend even more on foreign markets. Thus, it is essential that Thailand's parliament be aware of the various changes taking place in the international sphere and of the policy changes made by other countries, because these things will have an impact on all Thai.

Last year, 18 percent of Thailand's exports went to the United States. Of the goods exported to the United States, we made a profit of 14,076 million baht from the GSP rights granted to us by the United States. That is 23.1 percent of the value of our exports to the United States. In 1988, the value is expected to reach 24 billion baht. In view of this, we must study things carefully and be certain about what their bargaining position is. We cannot avoid this issue. I am sure that parliament has the ability to sidestep other countries, including Japan, the United States, and the European Common Market, which will form a new common market in 4 more years. This will make it even more difficult for us to carry on trade negotiations.

Every country wants to profit from trading with other countries. Trade means profits. Japan has profited from us by closing their markets. The European Common Market has set quotas on our goods. The United States has been rather open, promulgating a law and then negotiating with every country that trades with it. We probably could have avoided the conflicts that have arisen in stipulating a trade or foreign policy and in forming a subcommittee to study these problems. We

can use the atmosphere in this subcommittee to gauge whether parliament is ready to accept a revised act, regardless of whether this concerns copyright or patents issues or the promulgation of a trademark law, which is something that the government is now considering.

If the atmosphere is not conducive, the administration can say that parliament is not ready to revise the laws in response to the requests by an ally. It is said that the final day for determining whether or not we will be granted GSP rights is 15 December 1988. Actually, that is the date that they set after parliament was dissolved following parliament's rejection of the Copyright Act. That is, parliament declined to consider that act and so parliament was dissolved.

Actually, the final day is the final day of this session of parliament. After 27 October, we won't have any time to consider the copyright issue. Thus, the final day is actually much sooner than 15 December. It is essential that we consider this matter carefully. I have heard that the administration has two strategies. The first is to submit the copyright law previously approved by the subcommittee. That draft act does not contain the phrase "this does not include computer software." The second is to separate the computer software law from the copyright law.

The reason why we have to revise this law is that we must respond to the requests made by the United States. But to date, we have not coordinated things. We have not considered the feasibility of separating the computer software law from the copyright law. We don't know if this is what they want or if this will help preserve our GSP rights. The administration hasn't considered whether this is the right time to submit this to parliament. It doesn't know if parliament is ready to accept this. It has simply indicated that it will submit this. As a result, there is confusion in parliament and in society as a whole. People wonder if we are coordinating things in dealing with this issue. In view of the fact that we are under great pressure from a superpower, we should get together and consider this carefully in order to find the best solution.

Finally, I am not sure that the trade and political interests of the United States can be kept completely separate. Politically, the United States wants to make compromises to ensure the survival of democracy in the countries where democracy is thriving. That is one objective of the U.S. government. Once they realize that trying to force a country to promulgate a law will damage the democratic system there, they probably won't do that. Thus, if parliament plays its role fully, they will probably understand that we are using democratic methods to solve our problems.

**Chaturon Chalseeng, a Prachachon Party MP From Chachoengsao**

Looking back, the House of Representatives has already considered the Copyright Act, a law that stems from a trade and economic dispute between Thailand and the

United States. As a result of this, parliament was dissolved once before. The reason why the United States used this law as a bargaining chip with the Thai government has to do with GSP rights. We usually talk about these special rights. But if we talk more about the trade law of the United States... Today, the United States is experiencing a huge trade deficit, because it has not developed its domestic industry sufficiently. As a result, those countries that developed after the United States and that have caught up with or even moved ahead of the United States on many fronts have succeeded in taking away markets from the United States. Thus, the United States began looking for ways to put pressure on other countries. When these measures failed to achieve results, the U.S. Congress promulgated a new law, the Trade Bill.

Congress promulgated the Trade Bill in order to force the administration to act in the interests of the American people. This Trade Bill will have an impact on Thailand, too. It increases the power of the U.S. president in carrying on international trade negotiations. At the same time, Article 301 of this law transfers power from the president to the U.S. Office of the Special Trade Representative. This unit will now be able to implement various retaliatory and protectionist measures against other countries more easily and more quickly. Retaliatory measures can be implemented if the United States feels that a country is treating the United States unfairly. Such measures include raising tariffs, cutting quotas, and taking other steps if it is felt that the goods from some country are taking markets away from the United States or creating unfair practices. Article 301 will certainly have an impact.

This law also requires the administration to conduct investigations and take retaliatory action against various countries. Mr William Verity's trip to Thailand definitely had something to do with this law. He talked with the prime minister, the ministers of commerce and communications, and several other people. It is clear that this law has already had an effect. This law also contains stipulations concerning intellectual property, which is a problem that we have already studied and discussed but for which no solution has been found, and concerning copyrights, patents, and trademarks. This law stipulates what is unfair to the United States. It stipulates that retaliatory steps and protectionist actions must be taken. But at the same time, Article 201 stipulates just the opposite. That is, the United States has stipulated that American industry can receive support from the government. An industry can ask the U.S. government to apply protectionist measures against another country even if that country has not engaged in unfair practices. For example, if large quantities of a certain type of item enter the United States and domestic industries cannot compete, no questions will be asked about why they can't compete. It may be because those domestic industries are inefficient. But this law stipulates that the U.S. government must help those industries. But this is exactly what the United States is accusing other countries of doing. This law is very unfair toward the developing countries and America's trading partners. The

targets of this law are the main competitors of the United States, such as the European Common Market, Japan, and other developed countries. But this law will also have an impact on all the developing countries, including Thailand.

This law and the actions of the U.S. government will affect other things besides computer software. People have heard about this issue but don't really understand it. All they know is that this concerns the artistic, scientific, and technological development of the country. But in the future, this law will also have an important effect on patents, meaning medicines, agricultural machinery, crop seed, and many other things. During the negotiations between Thailand and the United States at the beginning of the year, the United States made various requests and said that it wanted Thai officials to submit this matter to parliament in 1988.

This will have a great impact on people in various circles. This law will also enhance the Farm Act, which has already had an impact. This will make it more difficult for Thailand to sell its rice, because the United States will support its farmers in exporting rice. American rice will be cheaper. This year, rice yields in the United States were 22 percent higher than last year. This law states that from now on, the farmers must be given more aid, that is, the amount of aid will be increased from \$1.5 billion to \$2.5 billion. This will have a great effect on Thai farmers.

In the future, our textile quotas will be cut. The United States will view the investment promotion activities of Thailand and other countries as unfair to the United States. Thus, this law will affect people in all circles. The Japanese government, through the Japanese minister of foreign affairs, said that this law is a highly protectionist law that will cause problems and that the government views this action of the United States with great alarm. South Korea, through its minister of trade and industry, said that the world trade atmosphere will decline very quickly. Korea is very apprehensive. The Japanese minister of trade and industry said that this is a very sad matter.

But even though this will have a great impact on Thailand, the Thai government has taken a rather nonchalant attitude. Certain leaders in the government have even said that this law will promote trade. From this, it is clear that there is a lack of agreement on this. Because this law will have a great impact on Thailand and the Thai people and because it is unfair to the developing countries, it is essential that we join together to find the best way out.

**USSR Presents Aid for Southern Flood Victims**  
*BK0812151688 Bangkok Voice of Free Asia in Thai*  
*1030 GMT 8 Dec 88*

[Excerpt] The Soviet Union has expressed its concern over the flood situation in the southern part of Thailand and has donated goods worth about 5 million baht to

assist the flood victims. Yesterday morning, Soviet Ambassador to Thailand Anatoliy Valkov paid a courtesy call on Thai Foreign Minister Air Chief Marshal [ACM] Sitthi Sawetsila and passed to him an official letter expressing regrets over the flood disaster in the southern part of Thailand. The Soviet envoy also handed over various articles such as tents, blankets, medicines, and other essential items worth about 5 million baht. [passage omitted]

**Columnist Discusses International Strategy, Intelligence Weaknesses**

*42070013b Bangkok SU ANAKHOT in Thai*  
*14-20 Sep 88 pp 10, 11*

["Against the Tide" column by Chakkrit]

[Excerpt] [Passage omitted] Domestic politics and the international situation cannot be separated from each other. One important question is, how sincere is the Chatchai administration, particularly Maj Gen Chatchai, about trading with Indochina? And what is China's reaction to this?

As is well known, China has constantly supported the Khmer Rouge. Now, Thailand has begun to have dealings with Indochina groups that oppose the Khmer Rouge. This includes some important members of this administration and some elements of the military. We must keep an eye on this and be on the lookout for international forces that are becoming more and more active in Thailand.

As for the role played by the Soviet Union in this region, under the leadership of Gorbachev, who is making an effort to solve the Soviet Union's domestic problems, it is believed that implementing various domestic reforms is more urgent than providing military support to other countries. There is very little chance that the Soviet Union would provide Vietnam with military support to enable it to attack Thailand. That would be contrary to the world situation. What the Soviet Union wants is for Thailand to be neutral and have relations that are balanced between the Soviet Union and China.

Besides changing our strategy to fit the changing world situation, Thai officials must also make adjustments in the intelligence field. It must be admitted that Thailand's intelligence (both military and civilian) is limited by virtue of the fact that we have to rely on intelligence from foreign superpowers that we consider to be allies. This intelligence shapes our view of things. The view that Thai intelligence units have of Indochina has been shaped mainly by China and the United States.

Thus, it is not surprising that certain retired Thai generals who were once responsible for intelligence concerning Indochina and who have now gotten to "know" Indochina firsthand have said that things there are very different from what they thought based on the intelligence given them.

It's good that many Thai intelligence officials are now giving priority to the country's interests and "using" the intelligence provided by friendly countries more carefully.

Strategically, there is still some truth to the view that if a foreign country, particularly the United States, supports certain Thai political and military leaders, those leaders will eventually come to power. But tactically, things have changed. Instead of supporting one particular person or group, they are "playing all the cards." This way, there is much less chance of making a mistake, and there is less waste.

Comparing methods, this is similar to the method once used by a Thai politician who established a newspaper to serve as his mouthpiece. That took a lot of time and money and so he changed and became a columnist instead. Not only was that cheaper, but his column appeared in more newspapers.

#### **RTAF Commander Views Defense Strategy, Weapons Acquisition**

42070011c Bangkok LAK THAI in Thai  
29 Sep 88 pp 24-26

[Excerpt] [Passage omitted] **The Threat From the East**

The RTAF CINC said that it is Vietnam that poses a threat to our air space. Vietnam has one of the largest air forces in the world. Vietnam has both an offensive and defensive strategy. Their combat aircraft can be used for both offensive and defensive purposes. Besides the aircraft seized from the United States at the end of the Vietnam War, Vietnam also has a large number of aircraft given to them by the Soviet Union. They did not have to purchase these aircraft. Vietnam's strategy is not concerned just with the actual area of Vietnam. It also covers the Indochina countries. Thus, Vietnam's air forces are very close to Thailand. Vietnam has approximately 450 combat aircraft. It is thought that they have about 150 aircraft that can be used for offensive purposes. We, on the other hand, have only about 50 F-5 A.B. and A.F. aircraft. We also have 18 F-16 A/B aircraft. We purchased these just recently and have not taken delivery of all of these aircraft. At present, only 6 have been delivered. Another three will be delivered at the end of September. After we have taken delivery of these, we will have a total of approximately 70 combat aircraft. Thus, Vietnam will have twice as many combat aircraft as Thailand.

The best strategy is to have about the same number of aircraft. But they have twice as many as we do. The fact is, we have to purchase our aircraft, but they receive support. As a result, they have more aircraft. It is essential that we purchase additional aircraft. The problem, however, is that we lack the money to purchase these aircraft. The country's financial position is not strong enough. Thus, we must do as much as we can. Air Chief Marshal [ACM] Woranat said that if there is

enough money, he would like to purchase additional F-16 aircraft and make this our primary aircraft. If we use the same type of aircraft, the pilots in all the wings will be able to trade places, and the mechanics and technicians will be able to substitute for each other.

#### **Our Pilots Are First-Rate**

If we have first-rate aircraft, we must have excellent pilots. The RTAF CINC said that our pilots are first-rate. When we took delivery of the F-16 aircraft from the United States, two of our pilots were among those who flew the aircraft to Thailand. ACM Woranat said that there is no doubt about the skills of our pilots. Every fighter squadron is ready.

ACM Woranat Aphichari said that the reason why he would like to equip every unit with F-16 aircraft is that if F-5 E/F pilots have to switch to flying F-16 aircraft, "their flying skills will drop temporarily." It will take them time to adjust to the new aircraft. If we use the same type of aircraft in every unit, this won't be a problem. Every pilot will be trained in flying F-16 aircraft. They will begin learning how to fly this type of aircraft while still at the Flying Training School.

#### **Strategy Stresses Defense**

The RTAF CINC said that in arranging our air forces, the first mission is to defend our air space. Thus, we do not have an offensive strategy. He said that he did not want to mention which countries have an offensive strategy. He said that most of our aircraft are fighter, or "F," aircraft rather than attack, or "A," aircraft, which are used for offensive purposes. At present, we have a number of A-37 aircraft to carry out limited attack missions in support of ground operations. We also have OV-10 bombers. ACM Woranat said that we have allocated our forces in accord with the situation. The primary mission is to defend our air space. We have not given any thought to attacking anyone.

As for this defensive strategy, the RTAF CINC said that if anyone is thinking about attacking us, they will have to think hard first, because we have a very modern radar system. With this system, we can see everything. Our fighter aircraft in the northeast, which is the region where the threat is the greatest, can intercept attacking aircraft within minutes. It has been stipulated that aircraft on alert at the 1st Wing in Korat must be in the air within 5 minutes after the alarm is sounded. But we have trained hard and reduced this time. Today, the aircraft on alert can be in the air within 3 minutes or even sooner. Our radar sweeps this entire area. If anyone tries to launch offensive operations against us, they will be taught a bitter lesson. "We are on guard and are not afraid. We are confident that our pilots have superior skills. This is a capability of great importance. We don't have to worry about the aircraft parked at the air bases."

### We Are Not Rich

ACM Woranat Aphichari, the RTAF CINC, told LAK THAI that Thailand is a small country. Our economic position limits our ability to acquire weapons to defend ourselves. We can't do things like the United States. That is a huge country that has various types of aircraft for various types of missions. It has attack aircraft, fighter aircraft, and bombers. We have to try and combine things. The F-5 and F-16 are fighter aircraft, but they can be used as attack aircraft if necessary. "In an American family, the parents and children each have their own cars. But here, there is only one car for the entire family. The father takes his children to school and his wife to work and then drives to his place of business. If that isn't large enough, they have to use a pickup truck."

The RTAF CINC said that every one of our aircraft was purchased. Every time we purchase an aircraft, we have to consider whether it is worth the cost. During the fighting at Ban Rom Klao, the United States once indicated that it would support Thailand by providing Thailand with attack aircraft. It indicated that it would provide us with A-10 aircraft, which is the most modern aircraft of the United States. This rumor came from foreign sources. The RTAF CINC was asked if the United States has now changed its position on this. He said that "their attitude has not changed, because they never intended to do that. The United States never gives away aircraft free. We have to purchase them." [passage omitted]

### Industry Minister Discusses Policy Directions

42070018b Bangkok SIAM RAT in Thai  
18 Sep 88 pp 3, 2

[Interview with Banhan Silapa-acha, the minister of industry; date and place not specified]

[Excerpts] [Question] Would you summarize your policy regarding administering the Ministry of Industry?

[Answer] [Passage omitted] We must supervise our main industries well. This includes the industries in the Maptaphut and Laem Chabang industrial estates. We must supervise things to ensure that things are done in accord with the targets set by the state. In 1990, once the various plants have been completed and are functioning as primary industries.... In the Maptaphut industrial estate, for example, there are several types of industries. The petrochemical industry supplies raw materials to the plastics plants. And there are steel mills. I am trying to set up a fertilizer plant. Officials are gathering data in order to present a line to the Ministry of Finance. In the past, we have done everything with respect to fertilizer plants. If we do things like that, we will have to invest much money. We have asked various banks to invest in this. But calculating the amount that must be invested, the expected profits, and future costs, I am not sure that this can be done. We should scale things back by producing just a primary fertilizer that others later mix

themselves. We can obtain nitrogen from our natural gas. We can import ready-made phosphate. The north-east has deposits of potash. We have large quantities of good-quality potash. But we have not taken steps to exploit these deposits. If we scale things back, it shouldn't take more than several billion baht. This should be possible. We will submit this policy to the Ministry of Finance, because that is where we must start. As for the Laem Chabang industrial estate, to date, it has not achieved the results expected. Only two plants have been built. I am trying to formulate a policy. Now that we have promoted various industries, we are formulating a policy for the Department of Industrial Works. From now on, if someone requests permission to set up a plant, we must look at where they plan to establish the plant. If they want to establish their plant in an industrial estate, even if it is a private industrial estate, they should be allowed to establish the plant. That would solve several problems. The state could provide help in accord with the targets. We could solve the pollution problem and eliminate waste water, which would be kept in one place. These are the main policies of the Ministry of Industry. [passage omitted]

[Question] What do you think of the existing industrial estates that have been built in the provinces?

[Answer] The industrial estate in Lamphun Province will probably be a success, because there is an export zone. Japan is taking action and so there shouldn't be any problem. The industrial estate that is having problems is the estate in Phuket. We have built a port, but we are still looking for a site to build the estate. And we must find industries for that site. This is presenting a greater problem than in Songkhla. The Songkhla estate already has land, and several companies are interested. It shouldn't be difficult to build estates near the highways, which will make it easy to transport the goods to the port. [passage omitted]

[Question] What is your view on having people in the private sector invest in building industrial estates and having the Industrial Estate Authority control policy?

[Answer] That should be possible. If those in the private sector want to invest in this, they should be allowed to do so. We should give them this right. The government can then monitor things. The Bang Pu industrial estate, for example, is a joint venture. We now have a golden opportunity that we should take advantage of. But problems have arisen. The price of land has skyrocketed, which has made it difficult to do anything.

[Question] As for expanding the Maptaphut industrial estate, the previous minister was going to allow the private sector to do this. What will you do?

[Answer] Actually, the Eastern Seaboard Development Committee has already passed a resolution. But it may be necessary to review this, because this resolution calls for expropriating land. We have to see if it is really

necessary to expand the area. Because at present, there aren't enough plants to make use of the existing area. If the need increases, we will have to see whether we should expropriate land or have the private sector handle this. The policy of the previous minister was to have the private sector do this. That way, the state won't have to invest any money. But the state has already invested a large sum of money in building a port and providing public services. If we allow the people in the private sector to invest, those people would benefit greatly. We must look at what the state should get. For example, we will sell electricity. The Electricity Generating Authority has installed poles and lines and built substations. All those in the private sector need to do is install a few more poles and lines. They could then begin selling electricity to the villagers. They would have to invest only a small sum of money. [passage omitted]

[Question] Should there be limitations in the policy on protecting vehicles?

[Answer] At present, vehicles less than 2,300 cc cannot be imported. As a result, we have lost money. I have asked them to find out the cost of a pre-built vehicle and what the price differential will be after adding in the tax. If domestic vehicles are expensive, measures must be implemented to change this. But I am concerned about the vehicles, such as pickup trucks, that villagers use for business purposes. I am more interested in this. As for sedans costing 600-700,000 baht, only the wealthy can purchase such vehicles.

[Question] What progress has been made in revising the Petroleum Act and the Petroleum Revenue Tax Act?

[Answer] We are trying to revise these. This will probably be submitted to parliament next week. It is important that these acts be revised, because both of these acts are out of date. When they were first promulgated, we estimated that we would have large resources, and so we set a fixed rate. But later on, we found that our sites were actually quite small. Thus, we had to invest a lot of money and change the rate to a variable rate depending on the amounts. If we revise these laws, more people will invest here. Thailand has mostly gas. About 80 percent is gas; only 20 percent is crude oil. We must conduct many more surveys. At present, our petroleum reserves are estimated to be worth 700 billion baht. This is enough for several more decades. But we must continue to conduct surveys. At present, we are not conducting surveys because we have not collected the taxes that we should have. Actually, this passed the Senate the last time. It shouldn't take much more.

[Question] The previous minister cancelled the bidding on the gold mining concessions in the east. What will you do regarding this?

[Answer] The Department of Mineral Resources told me that the ministry ordered a halt to this. The department was opposed to this. It submitted the matter to the

Department of Public Prosecutions, asking whether this could be done. We have to wait for a response from the Department of Public Prosecutions before a decision can be made on what the minister should do. Actually, ministry personnel could make a decision. But this was cancelled because the factors were not tight. When bids are submitted, it is usually the department that takes action regarding the factors. The ministry doesn't monitor this. But after this was submitted and the ministry disapproved, there was an argument. I may ask to review the matter or push them to submit the matter for consideration in order to determine whether to ask for new bids or to allow the previous winner to go ahead. This must be given careful consideration. There are several mines, including mines in Loei Province. But the Department of Mineral Resources feels that the mines in Loei Province are richer than those in the east. They want to mine these later in order to get people to work the mines in the east first. If we exploit the good mines first, people will bid on the good mines, and there won't be anyone to work the poorer mines. The ministry has told the Department of Mineral Resources that the two should be worked simultaneously. There won't be any problems.

[Question] What do you think about Thailand becoming a NIC and is this possible?

[Answer] It's like climbing a ladder. You have to move up one step at a time. There is a foundation, but you can't jump three-four steps at a time. To become a NIC, we must have several things. The government must look at this carefully. There may be great domestic demand, and we may sell large quantities of goods abroad. To maintain our position as a NIC, the state must play a major role. If we import large quantities but can't sell our goods, there will be problems. But I don't think that there will be any problems in the next 3-4 years, because there is a worldwide shortage of several types of industrial goods. Textile plants in Taiwan and Korea have had to shut down because of high labor costs. But there is a boom in Thailand. This should be possible, but we must find a way to support this. Today, our industries are growing rapidly. Exports are valued at more than 100 billion. The important thing is to keep expanding in order to keep up with the markets. But if we lose markets in the future, things will be difficult. Because of this, before promoting something, we must look at things carefully.

[Question] As for reviewing the policy on prohibiting the establishment and expansion of steel mills in the country, will you abolish this?

[Answer] I will allow this. I have already signed the announcement. At present, we lack steel. We can't restrict them. I will allow new investment. But these will be blast furnaces that are up to standard. The Siam Cement Company is preparing to request permission to expand production by 300,000 tons. It will invest

another 3 billion. If permission is granted, it will be 3 years before this is completed. By that time, there will probably be another shortage of steel.

[Question] How much expansion will be permitted?

[Answer] We must look at things first. It is difficult to find investors. At present, the only one is Siam Cement. I will allow anyone to make a request. I have asked Siam Cement why they don't plan to expand by 500,000 tons. They have said that that would require too large an investment. But by the time that the new plants are finished, they won't be able to produce enough to meet the demand. Because by 1991, demand will probably increase another 300-400,000 tons. Today, we have a production capacity of 1.1 million tons. It might be more profitable for them to invest their 3 billion baht in something else. [passage omitted]

[Question] I would like to ask about politics now. As the secretary general of the Thai Nation Party, what do you think about the statements that this administration will not last very long?

[Answer] How long this government lasts depends on what the government does. If the government, that is, the ministers, work resolutely on behalf of the people of the country, the government will probably survive. But if conflicts arise, if there is a lack of unity within the cabinet, and if conflicts arise within the administration and within parliament, the government probably won't last very long. But if conflicts don't arise, it will probably survive. But no administration has ever managed to survive for 4 years. Two years has been about the maximum.

#### Letter Demands Amnesty for Common Political Prisoners

42070011a Bangkok KHAO PHISSET in Thai  
21-27 Sep 88 p 3

[Excerpts] 3 September 1988

To: The editor of KHAO PHISSET

I read that the cabinet has submitted a resolution to promulgate a law granting amnesty to the 9 September rebels. I have various feelings about this. First, I am very upset that this administration is using its power to help only its own friends. [passage omitted]

The 9 September rebels used tanks and other heavy weapons, killing many innocent civilians, including a foreign reporter, and destroying much property belonging to the government and the people. After the case was brought to court, the generals were all allowed out on bail. And in the end, the government simply granted them amnesty. Why? Because they were generals. They had friends in the military and in the cabinet.

I will give you another example. Mr Wira Musikaphong was sentenced to 4 years in prison for committing lese majeste. After just 1 month in jail, he was granted a pardon. If he had been just an ordinary villager, would he have been released so quickly? The answer is, definitely not. An ordinary villager has never been a minister and does not have friends in the government. All he can do is accept his fate. He has to stay in prison until he has served his full sentence. There are many similar examples.

There are other political cases, such as communist cases, which are on a par with the 9 September case. Many of these cases, some of which happened before the 9 September rebellion, are still in court, and the defendants have not been allowed to post bail. Some of these people have been on trial for 5 years. I would like to ask, has anyone in power ever paid any attention to these cases or seen the problems that these people are experiencing? Are they aware of the injustice being done to these people? Last year, these people were hopeful that the government would grant them amnesty on the important anniversary of the king. Many groups took action on this, and a draft law was submitted to parliament. But in the end, they were disappointed, because one person set himself above both the parliament and the courts. [passage omitted] These are ordinary villagers. They are not generals, and they have never been ministers. They don't have friends in the military or government.

As for why amnesty was granted to the 9 September rebels, the government claimed that this was done in order to bring unity to the nation. It said that amnesty was granted on the important anniversary of the king. But what about the other political prisoners? Aren't they citizens of the country, too, and so don't we need to consider them in considering national solidarity? [passage omitted]

#### Chatchai Report Authorizes Trade Representative Office

42070013e Bangkok SIAM RAT in Thai  
6 Sep 88 pp 1, 16

[Text] A news report from the Office of the Prime Minister stated that Maj Gen Chatchai Chunhawan, the prime minister, has agreed in principle to establishing the International Trade Representative Office of Thailand. This unit will be responsible for handling problems concerning trade negotiations with other countries. It will also formulate offensive and defensive policies on international trade matters. At present, Thailand is under heavy pressure from other countries, particularly the United States, which is trying to pressure Thailand into promulgating a copyright law. There is also the problem of the Trade Bill.

The report stated that the structure of this trade representative office has already been arranged, and duties and personnel have been stipulated. But the policy is still being considered. The matter has not yet been submitted

to the cabinet. The Ministry of Foreign Affairs has attacked this proposal, claiming that Thailand doesn't need this unit because Thailand is a small country. We are different from the United States, which needs such a unit. The Ministry of Foreign Affairs may have said this because no detailed studies on this have been done yet. This unit will be responsible for revising strategy and forging unity in preparation for bargaining with other countries.

"The Ministry of Foreign Affairs may think that it can handle such matters itself. This may be embarrassing to the ministry. But they should realize that the copyright and patent issues and the Trade Bill issue are going to become more and more complex. Today, different ministries are responsible for these problems, and each one is handling things on its own. The problems are not being studied jointly in order to formulate a systematic approach for solving the problems. If this office is established, it will be directly responsible for such matters, and it will be staffed by experts who can work at this full time. This will result in our international trade policies being more unified. We will have data that can be used in negotiating," said a news source.

The report stated that the International Trade Representative Office of Thailand will be directly subordinate to the Officer of the Prime Minister. There will be a team of trade representatives composed of government heads who are well qualified in this field. They will be transferred from various ministries. These government officials will be people who have much knowledge but who are now playing a reduced role and cannot make good use of their knowledge.

As for the structure of this unit, the news report stated that the unit will be divided into three sections. One is the Committee of International Trade Representatives, which will be responsible for data and policies for negotiating with other countries. This committee will be chaired by Mr Phong Sarasin, the deputy prime minister. The committee will be composed of senior government officials from the Ministry of Foreign Affairs, experts, and other qualified people. Another committee is the Trade Policy Committee, which will be composed of people from the ministries. It will be responsible for formulating policies. Besides this, there will be a committee composed of talented people from the ministries concerned. It will be responsible for conducting studies and preparing data.

The report stated that this International Trade Representative Office will be responsible for conducting international negotiations and submitting action policies to the prime minister for discussion by the cabinet. The work will be coordinated with the National Committee for the Protection of Intellectual Property, which is an internal policy making unit. Things will also be coordinated with the ministries concerned such as the Ministry of Commerce, the Ministry of Foreign Affairs, the Ministry of Public Health, and the Ministry of Education.

"Some people have said that this unit will duplicate other units. But that is not true. It will be responsible for formulating offensive and defensive policies in both the multilateral and bilateral arenas. Besides this, there will also be officials to carry on international trade negotiations, which is not the duty of the Export Development Committee. The time of the world economic GATT meeting is fast approaching," said the news report. It added that the team of policy advisors to the prime minister favors taking 50 million baht from the International Trade Promotion Fund for use in conducting studies and conducting international negotiations. As for the officials attached to various units, an order should be issued attaching them to the Office of the Prime Minister so that they can work in this unit.

#### **Writer Analyzes Chatchai's Advisors' Roles**

42070016c Bangkok MATICHON in Thai  
28 Sep 88 p 8

["Prachachun Stop Sign" column by Kosum Hakthongkhwang: "In the End, Is the Advice Given by the Prime Minister's Advisors Meaningless?"]

[Excerpts] The advisors to the prime minister and the Ministry of Foreign Affairs are at odds with each other on trade and political matters concerning the three Indochina countries, and the split between them is growing wider all the time. The copyright act, particularly on computer software, is another issue that could become a major point of conflict. These conflicts, regardless of whether it is the issue of relations with the three Indochina countries or the copyright act, will not be limited to just the advisors to the prime minister and the Ministry of Foreign Affairs. It is very likely that these problems will cause problems between the prime minister and the minister of foreign affairs. [passage omitted]

Considering the backgrounds of each of these advisors, none of them is within the "inner circle" as a close friend of Mr Kraisak Chunhawan. All of them are "outside intellectuals" who graduated from Europe, the United States, or Australia. [passage omitted]

One of those appointed an advisor to Prime Minister Chatchai Chunhawan is Mr Narong Akraserani, the former dean of the Faculty of Economics at Thammasat University. He once worked at the Industrial Finance Corporation and has experience in private-sector business administration. Thus, it is not too difficult for him to get along with the government and the Thai Nation Party. But for Mr Phansak Winyarat and MR [royal title] Sukhumphan Boriphat, who have frequently criticized Thailand's foreign policy, particularly the policy toward the three Indochina countries, it will be very difficult for them to work together with the Ministry of Foreign Affairs.

Mr Surakian Sathianthai disagreed strongly with the Prem 5 administration on the copyright act issue. Even though he has been asked to serve on the special sub-committee, it will be difficult to get him to side with the Ministry of Foreign Affairs on this issue.

However, the complex issue that could easily lead to a conflict is the policy on the Indochina countries. Maj Gen Chatchai Chunhawan has said that he wants to transform the battlefield into a trade field with the Indochina countries. He has had such an idea ever since he thought of opening tourist routes to Cambodia during the time of Pol Pot. But this idea is at odds with the diplomatic conservatism of Air chief Marshal Sitthi Sawetsila, who continues to adhere to the principles and beliefs of the National Security Council (NSC). Foreign affairs officials, NSC officials, and ACM Sitthi Sawetsila all agree that it is necessary to encircle the three Indochina countries politically, militarily, and economically.

But in view of the fact that the fundamental principle of the "leaders" of the coalition government is to make compromises and coordinate interests, there is very little chance that Maj Gen Chatchai and ACM Sitthi will split apart over this issue. This is true not just for the Indochina problem but also for the copyright act issue.

Regarding these two political issues, if the advisors to the prime minister continue to maintain their previous views, there is a good chance that Maj Gen Chatchai will simply "table" their proposals. This is what Gen Prem Tinsulanon used to do, particularly in the case of his "advisors." This is because in the view of both Prem and Chatchai, the views of these people are "meaningless."

**Chawalit Wants More Slots for Army Generals**  
42070030e Bangkok NAEON in Thai 12 Oct 88 p 3

[Excerpt] A senior official in the Ministry of Defense revealed that Gen Chawalit Yongchaiyut, the RTA CINC and acting supreme commander, wants to add another 12 slots for army lieutenant generals and major generals. This is now being considered before submitting the matter to higher authorities. [passage omitted]

**Thai Citizen Party Proposes Tax Changes To Help Poor**

42070031d Bangkok DAO SIAM in Thai  
11 Oct 88 pp 1, 15

[Excerpts] [Passage omitted] At parliament at 1400 hours on 10 October, Mr Pokit Phattanakun, an MP from Bangkok Metropolitan and the deputy secretary general of the Thai Citizen Party, told reporters that the Thai Citizen Party, in the name of the opposition parties, has proposed that the section of the State Revenue Code concerning individual income taxes be revised. They want to lower taxes and increase the amount of the exemptions in accord with reality. This is a good time to do this, because during the first 10 months of 1988 tax

revenues exceeded the target by almost 20 billion baht. The government should revise this act by lowering the tax rates and increasing exemptions to match the real situation. [passage omitted]

The deputy party secretary general said that this will help prevent tax evasion and make things fairer for taxpayers such as officials and employees who receive a fixed monthly salary. Some people with high incomes are able to avoid paying taxes. This is because the present law stipulates that those with incomes of between 1 million and 2 million baht must pay a tax of 50 percent. Those with incomes over 2 million baht must pay 55 percent. Thus, those who earn this much must pay more than half their income in taxes. As for individual tax rates, he has proposed that those with incomes below 40,000 baht pay 4.7 percent, moving up to 100,000 baht. The code must be revised, because there are too many brackets.

In conclusion, Mr Pokit said that the number of brackets must be reduced. For example, with the present exemption, taxpayers can deduct 13,000 baht before computing their tax. He has proposed increasing this to 23,000 baht. Thus, those with an income below 23,000 baht will not have to pay any tax. This law also concerns monetary matters. It must be approved by the prime minister. He is sure that the prime minister will be broadminded, because revising this law will benefit the people in accord with the government's policy of helping low-income people.

**BANGKOK POST Chief Editor Views Chatchai's 'Strategy'**

BK1212013588 Bangkok BANGKOK POST in English  
12 Dec 88 pp 1, 3

[By editor The Chongkhadikit: "Chatchai's Strategy—Bigger Role for Private Sector; Closer Links With Indochina, Burma; Stronger Ties Within ASEAN"]

[Text] Prime Minister Chatchai Chunhawan with close cooperation of Supreme Commander and Army Commander-in-Chief Gen Chawalit Yongchaiyut is making drastic changes in the style and substance of government.

He has quietly launched a "grassroot-oriented, economic-based, people-led, military-supported, outward-looking, open-door policy" on national, regional and international affairs.

Strengthening the role of the private sector in developing trade relations in the region, followed by positive friendly military contacts, his administration is in effect revising the role of the Ministry of Foreign Affairs while stimulating the role of the people through the private sector.

Himself a former Foreign Minister with military and economic as well as diplomatic experience, Gen Chatchai intends to formulate and implement the Kingdom's foreign policy with a broad perspective and long-range vision—after gaining the people's support.

Dividing the region into two sectors—the first being direct next-door neighbours and the second fellow-members of ASEAN—the Chatchai approach calls for:

- The private sector to lead in developing people-to-people relations through commerce, industry and other economic cooperation with Laos, Cambodia, Vietnam and Burma;
- Thai military authorities to follow-up by promoting contacts with the top brass of those countries to demonstrate Thailand's peaceful intentions and that there is no need whatsoever for any enmity between us and our nearest neighbours;
- The Government to utilise the mutual understanding reached on the people-to-people and the military-to-military relationships to build up mutually satisfying official relations with Laos, Cambodia, Vietnam and Burma; and
- The Government to maintain harmonious alliances within the Association of Southeast Asian Nations as a "must in the eyes of the world" because with the world getting smaller, the United States and Canada becoming almost an economic entity and the European Community becoming integrated in 1992, Thailand cannot isolate itself and ASEAN has to develop into a bloc by initially strengthening industrial relations through the ASEAN Industrial Joint Ventures (AIJV).

Regarding the Vietnamese military presence in Cambodia and Laos, the Chatchai strategy notes that the ball is in Hanoi's court but that since the present Government was elected to power Vietnam has not made any military moves which could be construed as a threat to Thailand.

When Vietnam finds that there is no more military conflict with Laos, Hanoi will have no excuse to keep a force in Laos. The people-to-people, military-to-military relationships with Laos being repeated in Vietnam and Cambodia will eventually lead to the Prime Minister himself making visits to consolidate peaceful relations.

With its new attitude built on "transforming a battlefield into a marketplace," the Chatchai administration believes that Vietnam will withdraw its forces from Cambodia but realises that it will have to face the problem of feeding and employing the returned troops—a problem where Hanoi will need international assistance.

Economic considerations given highest priority by the Prime Minister dominate national, regional and international policies which are directed from the top and implemented at the bottom without allowing the bureaucracy to interfere in the process or intervene in the progress.

This is being done because the Chatchai Cabinet as the first fully elected administration in a long time feels it has the people's confidence to be courageous in decision-making which is cutting across conventional "out-moded" lines.

Domestically, the Prime Minister listens to incoming opinion from the people whose mandate he has accepted and ventures out to visit the people when they undergo natural disasters and have other problems so that he can gather the feedback essential for policy-making.

He recognises the importance of the role of the people in sustaining a democratic government.

This meet-the-people campaign has been turned by Gen Chatchai into the "umbrella" for the 13-ministry Cabinet to ensure continuing awareness of the public sentiment by the 44 ministers in carrying out their duties and performing their functions.

Directives originate from the Prime Minister himself and move to the policy-making level in the Cabinet and then actions are taken to implement the policies.

While Gen Chatchai revitalises the government of the country with dramatic decisions, his administration is given security and stability by Gen Chawalit who is fully cooperating with active military contributions to infrastructural projects in the Northeast and other parts of the country as well as in working towards cordial relations with the armies of neighbouring countries while the private sector develops economic ties.

In this new style of government, the Prime Minister gets himself involved from policy-making to the taking of action.

## POLITICAL

### CPV Meeting Discusses Party Organization Congresses

BK1212124688 Hanoi Domestic Service in Vietnamese  
1430 GMT 11 Dec 88

[Text] The Organization Department of the CPV Central Committee recently met with representatives of the party organizations of the various blocs, the Armed Forces, and some ministerial organs and general departments to exchange experience in organizing party congresses of central agencies' party organizations.

Many party organizations of ministerial organs and general departments and the Armed Forces' grassroots party organizations have renovated the content and form of party congresses, creating a democratic atmosphere for the discussions of reports and work plans as well as for the elections of new executive committees. In the industrial bloc, the party organization congresses of the Energy and Light Industry Ministries, the General Departments of Posts and Telegraph, Chemicals, and others, presented short, concise reports which had been thoroughly discussed at party chapter conferences and by the mass organizations. Many congresses skipped the reading of the full text of their reports; instead, the party committees concerned only presented a roundup of the suggestions of party members and the masses highlighting the most noteworthy issues, namely the distinction between the responsibility of party committees and that of the heads of agencies.

The science, education, and economic blocs achieved close coordination between their party committees and the leaders of various party Central Committee departments in preparing for grassroots party organization congresses. The specialized sections of the Science and Education Department contributed suggestions to grassroots party committees' reports, associating the evaluation of party building work with the assessment of the fulfillment of agencies' political tasks. Disagreements that cropped up during the preparations for party congresses over matters such as cadre assignments, stabilization of organization, unsolved cases of negativism, and manifestations of disunity were overcome before the congresses were held.

Unlike the previous congresses, at these central agencies' party organization congresses, party committees did not exert their power to recommend candidates for new party committees but only gave guidance to ensure thorough discussions of candidates' capability for practical work, their viewpoint concerning renovation, and their militancy. In the elections of new party committees, delegates paid keen attention to these standards and did not attach undue importance to the candidates' background and age as was the case with past congresses.

## MILITARY

### Unsatisfactory Response to Negativism Campaign, Resolution of Cases

42090068a Hanoi QUAN DOI NHAN DAN  
in Vietnamese 20 Oct 88 p 1, 4

[Excerpt] The newspaper QUAN DOI NHAN DAN, along with other central and local press, radio and television agencies, has actively participated in the struggle to comply with the Secretariat directive on efforts by the press to resist negativism aimed at properly supporting the great campaign. The theme of resisting negativism has been regularly expressed in the paper by many articles and other means.

The "Readers' Letters" column now appears twice instead of once a week with varied topics and occupies an entire three columns of the newspaper. The voices of readers in units of the armed forces, sectors and local areas throughout the nation have been increasingly reflected in the "Opinion Contribution Forum" and "Saturday Forum" columns. Many perplexing problems dealing with the economy, culture, society, and building the armed forces and a fatherland of all the people have been presented with a concept of responsibility and in a constructive spirit aimed directly at the truth. The newspaper has particularly emphasized publication of a number of specific cases of negativism inside and outside the army with the themes of: taking advantage of one's authority to acquire several houses; the present serious loss of political and economic freedom in rural areas; attacks on those who will not "take sides;" taking advantage of the still inconsistent economic management mechanism and conducting deliberate erroneous actions to engage in corruption and misappropriation of state and collective property; unjustly accusing innocent individuals, etc.

The cases presented in QUAN DOI NHAN DAN have almost all been accurate in nature, have drawn the attention of public opinion and have contributed in uncovering those cases and assisting local units and legal agencies to see the truth in order to investigate, reach a conclusion and achieve consistent disposition, such as: the housing problem of To Duy, the prosecution of Colonel Phan Van Ton in Military Region 9, the careless management resulting in material losses at National Defense Plant Z133, the serious loss of democracy at Hau Xa (in Phuong Tu Village, Ung Hoa District, Ha Son Binh Province), the unjust and baseless accusation and party member disciplining of army cadres and retired war invalids in Nam Thanh District, Hai Hung Province, etc. A number of these wronged and attacked cadres, party members and people have now received proper and fair handling from responsible agencies and echelons. A number of those engaging in negative actions have been appropriately disciplined.

Nevertheless, only about 30 percent of the units and local areas have responded to problems published in the "Readers' Letters" column; and many difficulties and obstacles still exist in the urgent resolution of cases presented in the paper. Some cases, after many meetings and direct confrontations between the newspaper and those involved, with testimony from upper echelons and clear confirmation of the wrong, still have no official conclusion after many months. Some have been acknowledged by units and local areas as wrong but have not been prosecuted and continue to drag on month after month. There are also cases published by the paper with full and accurate legal evidence in which the criticized unit or individual has deliberately sought ways to conceal the shortcoming and oppose the paper; agencies with an examination and resolution function have not actively investigated for a clear conclusion so the cases have been allowed to "hang" without knowing when they will be resolved. This is not counting the cases in which criticized units or individuals of the "influential" type have deliberately concealed their shortcomings and mistakes by running to a number of concerned state agencies to submit papers in an attempt to transform the erroneous action into something legal; or by running to "knock on the door" of high level leaders of the state, army and newspaper for intervention aimed at repressing the case or allowing difficult cases to be urgently resolved.

Compliance with the struggle against negativism in the press during the recent past has shown that although the cases of negativism of primary units, village-level localities and low-level cadres published by the press have produced a definite protective reaction, they have usually been more rapidly resolved. Those concerning local units and high-level cadres always have many difficulties and obstacles. Consequently, although the effectiveness of the press in the struggle against negativism has achieved important results, it is still limited.

In the present situation, to create conditions for the press to properly fulfill its mission against negativism in accordance with the Secretariat directive, upper-level agencies with function and authority must actively and firmly coordinate with the press to swiftly investigate, confirm, conclude, and urgently prosecute each case without permitting it to drag on. Whether the press is wrong or writes the truth, and whether the unit or individual with the shortcoming is right or wrong must be publicly and clearly promulgated for the readers to know.

To achieve this, we suggest that after the newspaper publishes a case of negativism, any agency of the law responsible for resolving that case and the echelon above the unit or individual involved should actively formulate a plan, investigate and confirm in order to reach a prompt and clear conclusion. A unit or individual criticized in the newspaper believing that the article is inaccurate has the right to make a presentation to the editor's office to examine and confirm whether it is right or wrong. If no agreement or conclusion can be reached

between the criticized unit or individual and the editor's office, upper-level agencies and high-level cadres of the paper should not intervene because, in accordance with its function as stipulated by the state, the Ministry of Information will come forward to join the two parties in examining and resolving the problem. [passage omitted]

#### Conference Urges 'Renovation' in Military News Coverage

42090068b Hanoi QUAN DOI NHAN DAN  
in Vietnamese 20 Oct 88 p 1

[Text] The newspaper QUAN DOI NHAN DAN recently held a conference to discuss the "renovation of internal army news coverage by the paper." Attending were news correspondents representing general departments, military regions, branches, services, corps, students, schools, etc. in the northern part of the country.

The conference discussed and clearly affirmed the position and importance of newspaper news, and exchanged experience in the effective renovation of army and national defense news coverage by the press. Through these discussions, the representatives agreed that renovation of army and national news coverage by the press must be expressed by renovating the entire viewpoint, reasoning perception, and theme and form of expression.

In theme renovation: the news must be varied and rich in all aspects of combat readiness, construction, and training closely connected with combat and combat readiness; disciplinary training, construction of internal relations and army-civilian relations, recruit training, and construction of party member, cadre and youth union member ranks; the maintenance and use of weapons, construction of a material and spiritual life, etc., not only presenting news on the good and successfully accomplished things but also those that are not good and those that are unachieved and indecisive, ensuring secrecy while still attracting the reader. News correspondents, who are present throughout the units and forces, are extremely important in reflecting this theme.

The method of writing must be renovated to overcome a situation of presenting news in a hackneyed fashion lacking a specific theme. Wording must be short and concise, moving, terse and easy to understand. The conference also asserted that correspondents must have a style that is impulsive, positive, creative, able to grasp new problems and clearly define objectives, audacious, and able to project the attitude of the reader concerning his work.

#### ECONOMIC

##### New Australia-SRV 'Airlift' To Facilitate Bilateral Trade

42090048b Ho Chi Minh City SAIGON GIAI PHONG  
in Vietnamese 29 Sep 88 p 1

[Excerpts] [Passage omitted] Sixteen Vietnamese tourists arrived at Tan Son Nhat Airport on 5 August 1988 aboard a flight from Australia organized by MAILAN Tourist Corporation in Australia. [passage omitted]

Since the Vietnamese foreign-investment law was promulgated, Australian business circles have been encouraged to do business with Vietnam. The Australian government also supports the establishment of Australian corporations in Vietnam. This is an important bridge between the two countries that will certainly be built in the not too distant future.

The first Australia-Vietnam tourist trip of 5 August will be followed by many others, according to the director of the Ho Chi Minh City Branch Office of Tradeland International General Corporation (Australian), which is a large union of corporations including MAILAN Tourist Corporation. [passage omitted]

But before the tourist airlift was established and run, there had been another "bridge," the one that linked the overseas Vietnamese in Australia with Vietnam, their native land. In an official letter dated 1 August 1988 and addressed to the Council of Ministers, the Tradeland General Corporation wrote:

"Dear Sirs:

"In the past, LETAM Import-Export General Corporation (the former name of Tradeland) in Australia had maintained diversified economic relations with Vietnam and Ho Chi Minh City. When the SRV government promulgated the investment law calling on the Vietnamese living abroad to take part in economic activities aimed at rebuilding the country, LETAM and the branch corporations in the union held a meeting of the Board of Management and unanimously agreed that it is time to join the efforts in our homeland...."

The letter then listed the economic activities "contributing to such efforts in the homeland": a campaign to acquire foreign exchange for Ho Chi Minh City (for the 5th Precinct Raw Materials Supply Installation) and An Giang Province; supplying raw materials and materials to and signing contracts with many units, such as Knitting Enterprise 8, Go Vap Textile Enterprise, etc., for them to manufacture goods for export, and so on.

But from August until now, Tradeland was urgently making preparations along with the Vietnamese side for another step in the business relations: to establish an airlift for transporting goods between Australia and Vietnam, in accordance with the minutes agreed upon on 15 August by Air Vietnam and LETAM General Corporation, with the Council of Ministers Office having issued on 18 August Official Letter No 2002/KTDN to deal with the matter. [passage omitted]

An office representing Tradeland has been established in Ho Chi Minh City.

In an official letter dated 20 August 1988 and addressed to the Standing Committee of the Municipal People's Committee, Tradeland General Corporation explained the word "homeland," which has confused many people so far:

"Tradeland General Corporation has tried and will be trying to provide commercial activities and services, to fill orders on contract, and to provide transportation to serve Vietnam's interests, for the great majority of its Board of Management members are overseas Vietnamese, who fully understand how best to maintain ties to the homeland. [passage omitted]

Starting with this flight, people are discussing and considering many new and greater projects. Although the opportunities for business, cooperation, and investment have just begun, a green signal has been sent to the entire Australian business community. It is a hyphen between the two governments. The signal has been sent by the overseas Vietnamese in Australia, who want "to contribute to efforts in the homeland," and by their relatives, who are still in the country and love it, in spite of the fact that investment procedures and red tape remain too complicated and slow and may very well discourage those who are not strong and determined. In the case of the people we mentioned above, fortunately they are all patient, bold, and resourceful enough to want to obtain good results at any cost.

**UN Group To Fund Forestry, Irrigation Projects**  
*BK1512091588 Hanoi VNA in English*  
0708 GMT 15 Dec 88

[Text] Hanoi VNA 15 December—The World Food Programme [WFP] on 12 December approved two projects to help Vietnam in afforestation and irrigation.

The two projects, valued at \$29 million, will be carried out in 4 years.

Under the afforestation project, the WFP will provide food for the population in a number of areas outside Hanoi and in the provinces of Bac Thai, Vinh Phu, and Ha Son Binh to produce 330 million saplings for the greening of 70,000 hectares of bare hills.

Regarding irrigation, WFP will provide food for the population in Hoang Long and Gia Vien Districts of Ha Nam Ninh Province to improve the local irrigation and drainage systems. The project is expected to help increase the irrigated acreage by 20 percent, the drained area by 110 percent, and food output by 60 percent.

**Thai Binh Trade Agencies Owe Workers Billions**  
*42090077c Ho Chi Minh City SAIGON GIAI PHONG*  
in Vietnamese 12 Nov 88 p 1

[Text] In the first 9 months of this year, Thai Binh's small industry and handicraft installations had 2.9 billion dong of their total capital tied up. The province's

Combined Export Company announced that it owed 2.3 billion dong to those producers. The reason for this is that the raw material prices and manufacturing costs have all increased, but the discrepancy between the old prices and the new (as of 4 October) had not been resolved in time, thereby negatively affecting production and the livelihood of the handicraft workers. Meanwhile, Textimex owes Thai Binh's Combined Export Company 1.5 billion dong, while Artexport owes 1,238 million rubles to contract producers of export rush products for 1988.

### **Central Bank Increases Capital By 84 Billion Dong**

42090077b Ho Chi Minh City SAIGON GIAI PHONG  
in Vietnamese 12 Nov 88 p 1

[Text] Three months after switching to business accounting, the whole country has established 30 commercial-industrial banks at the provincial and city levels. The Central Bank of Commerce and Industry has achieved three great things: it has increased its capital, reduced the general debt, and reduced its borrowing from the State Bank.

At the end of June, the capital of the entire commercial-industrial bank system was 222 billion dong; by the end of September it had reached 306 billion dong.

### **Problems Facing Army Export Operations**

42090054a Hanoi QUAN DOI NHAN DAN  
in vietnamese 8 Sep 88 p 3]

[Excerpt] Equipped with modern technology and garrisoned in various regions of the country, our Army enjoys a strong advantage and great potential for participating in export production. Having begun with just a few units repairing ships and making electronic components, it now boasts substantial operations. The Army's export production activity includes not only defense enterprises and units specializing in business, but also those providing services, training and combat readiness. Similarly, exports are diverse, enriching the existing roster of industrial, agricultural, marine, and pharmaceutical products. Since 1983, counting exports handled by the Export-Import Business and Service Center at the Ministry of Defense alone, the highest number of exporting units in any year was 44 and the highest number of products offered was 31, with an export value topping 12,735,000 rubles/dollars [as published]. Notwithstanding flaws—for instance, improperly increasing imports through obligatory purchases, as some places did—that activity has enabled the Army and many military units to obtain more foreign exchange for imports, strengthening material and technical bases and contributing to improving military living standards.

In export-import, many problems facing military units are crying out for redress, first of which is the Army's guiding role. On 4 June 1984, the Export-Import Business and Service Center at the Ministry of Defense was

created. In recent days, it has done its job properly—making plans, applying for export-import licenses, assisting units in implementing export-import procedures, and acting as a settlement center. The following export means are being utilized by the Army: use of a commissioning agent, commodity barter, and final purchases and sales in foreign or Vietnamese currency (mainly through an agent).

In recent years, however, the export flow via the center has gradually declined. It peaked in 1986 only to decrease in 1987 with only 30 units participating, 22 products and an export value of 7,000,600 rubles/dollars. In the first 6 months of 1988, it shrank even further, to 24 participating units, 21 products and an export value estimated at 3,500,000 rubles/dollars. Does that mean a drop in the Army's exports and imports? An exchange of views with some unit commanders involved in export and with the director of the Defense Ministry's Export-Import Business and Service Center shows that, although the flow at some places has diminished, overall there is still great potential for expansion. A rather large number of units involved in exporting have bypassed the center, some of which trusted their exports to local export corporations while others engaged in direct transactions with foreign customers or made cash sales.

Why this situation? Questioned, many units shared the same response—exporting through the center has the advantage of reducing business costs and minimizing the risk of arbitrary grading and pricing; but it has the disadvantage of hindering the use of foreign exchange. At present, military units must deposit all their foreign currency acquired through private means in an account handled by the Financial Affairs Department since they are not allowed to open a foreign exchange account with the Foreign Trade Bank. To import goods, they have to go through lengthy processing which results in delays. By relying on locally-based foreign trade corporations, they are not required to disclose the origin of their merchandise; furthermore, they are entitled to an advance supply of raw materials to keep production going. By contrast, exporting through the Defense Ministry's center is limited by the fact that it has no warehouses to hold an adequate reserve to meet the need of exporting units. [passage omitted]

### **Laborers Exploited in 'Gold Rush'**

42090076 [Editorial Report] The Ho Chi Minh Communist Youth Union weekly TIEN PHONG (VANGUARD), published in Hanoi in Vietnamese, printed on page 7 of its 8 November issue a reader's letter focusing on gold prospecting in some northern provinces. People are flocking to the Lao Cai and Ha Tuyen regions, for instance, where locals take advantage of their unfamiliarity with the area and lack of resources, and recruit them to work in teams of 5 persons. Wages vary at the discretion of the employers, and contracts run for 10 days to 1 month. The letter notes that the majority of "bosses" are young, some barely 19 years old. Workers

are prodded, shouted at, and on occasion have to work day and night until they reach total exhaustion. Laborers are placed in wage categories according to their physical appearance: in category A they are worth 7,000 dong; in category B, 5,000 dong; and in category C, 3,000 dong. The writer says that they are treated "as merchandise, to be exchanged or sold," and he compares the entire operation to "the slave trade in medieval times."

Most of the laborers are young and accept this "exploitation" because they have no other livelihood. Employers withhold their personal papers until the contract expires, at which time they receive their wages. Sometimes, however, they end up not being paid because the employers have gambled away their wages. The letter concludes by urging the authorities to put an end to this exploitation and to the "disorderly" social situation that the "gold rush" has engendered.

#### **Dac Lac Launches Autumn-Winter Grain Production Drive**

42090053c Hanoi *QUAN DOI NHAN DAN*  
in Vietnamese 2 Sep 88 p 3

[Excerpts] Due in part to drought and pests and mainly to lax guidance and management of agricultural irrigation, supplies and fertilizer, and science and technology in support of intensive cultivation, rice yields for the 1987-88 winter-spring crop in Dac Lac Province averaged only 41 quintals per hectare—3 quintals below norm—resulting in a total volume of production of 49,217 tons, compared with the planned goal of 61,600 tons. [passage omitted]

In an effort to make up for the winter-spring grain loss—12,380 tons below norm—and to cope with the current 10th-month crop difficulties, Dac Lac Province has launched an autumn-winter production drive, striving to achieve 22,000 tons of grain (as converted to paddy equivalent)—an almost 2-fold increase over the average autumn-winter crop output in the past 3 to 4 years. This year, the autumn-winter production campaign began very early, spreading evenly through all districts and cities under firm guidance of the administration and agricultural sector at various levels. [passage omitted]

Dac Lac Province has devised appropriate policies for the autumn-winter productive season. Areas long engaged in autumn-winter production will see their agricultural tax reduced by more than 50 percent while newcomers to that practice will pay no agricultural tax at all. The grain sector will purchase autumn-winter products—corn seeds and sweet potato, both fresh and dried—at agreed-upon prices; in case it is unable to do so, individuals or collective units will be free to sell them, even to consumers outside the province.

Ethnic peasants, cadres and workers at state forests in Dac Lac are enthusiastically taking part in the autumn-winter productive season, doing their best to achieve

their triple goal in acreage, output and volume of production, contributing to implementing the plan for turning out 225,000 tons of grain in 1988.

### **SOCIAL**

#### **Reader Criticizes Inconsistent Court Sentences**

42090060b Hanoi *DAI DOAN KET* in Vietnamese  
17 Sep 88 p 7

['Readers' Opinions' column: "Where Is the Justice? (Three Cases in Ho Chi Minh City)"]

[Text] Live and work in accordance with the law! This slogan is brought up and spoken of a great deal and not many weeks occur in which it is not voiced by the judicial sector and courts of Ho Chi Minh City on the radio, in the newspapers, on television, etc. However, several recent cases, objects of lively discussion by the people, and even the press, have been extremely perplexing and difficult to understand.

In the case of Trieu Binh Thiet and subsequently Tran Ty, both received life sentences because they had taken state property and materials worth hundreds of millions of dong (prices at the time the two were apprehended), equivalent to 5,000 or 6,000 taels of gold. Public opinion was that such a judgement was well deserved and no dissenting opinion was held. However, the two directors directly involved—actually abetting and conspiring with Trieu Binh Thiet and Tran Ty—Le Minh Tam, former director of the Joint Municipal Plastics Enterprise (where Trieu Binh Thiet was in control) and Nguyen Dac Phu, former director of the Municipal Export Agricultural Product Corporation (the location tyrannized by Tran Ty), both directors state cadres and party members, only received 6 months in prison for the crimes of "lacking a spirit of responsibility," "committing an error in principal," and "management laxity." The reaction of the people, including a number of those who attended the trial, was one of wonderment. The press also voiced its disagreement with the two excessively light sentences. Of special interest, the court declared in the last part of the verdict: due to lack of evidence, the court cannot make a determination in the matters of bribery and corruption! Meanwhile, everyone knows that Thiet and Ty took hundreds of millions of dong in state property worth thousands of taels of gold so how could there not have been a "division of spoils" and "bribery?" The two court cases above were "submerged" for 5 or 6 years before being brought to trial so what did the inspection and investigation committee do and where did it operate that no evidence of corruption or regression was found?

Following the two cases above was one concerning Nguyen Van An, Chief of the 4th Precinct Tax Bureau, whose corruption and decadence was attacked resoundingly by the entire city and country and was even mentioned in the newspapers by N.V.L. Notwithstanding, after years of postponement after postponement, the court finally issued a sentence for corruption of only

80,000 dong! and 36 months in prison, truly careless if not to say comical! This is not mentioning the attitude of Nguyen Van An who came before the court with an extremely insolent manner of flat rejection and challenge to his accusers.

The people cannot help but be involved and ask the question, "Why in a similar trial only 7 or 8 years ago did Nguyen Minh Xuan, director of the western bus terminal, receive a death sentence for the crimes of corruption and decadence? And why did Nguyen Thi Tuyet Minh, former director of the Leather Shoe Enterprise, receive a sentence of 18 years in prison for the crimes of corruption, "lacking a spirit of responsibility," and "committing an error in principal?"

Where is the justice?

—On 30 July, the Presiding Judge of the Municipal People's Court made a statement in a conference summarizing the work of the judicial sector during the last 6 months of 1988 which was published by the newspaper TUOI TRE on 2 August: "The intervention of the central government in the functions of public security sectors, the organ of control and the courts is too deep and specific, even directly conducting trials, and supervision is specific to an abnormal degree whether there is a crime or not, no matter what the crime is or the level of the court, etc. Examples are the cases of Trieu Binh Thiet and Tran Ty. Subjectively, we also admit the shortcoming of not bravely striving to protect justice."

Could this be an answer to the questions above?

Bui Tong Xuan, Retired Cadre, Subward 9, 5th Precinct, Ho Chi Minh City

## BIOGRAPHIC

### Biographic Information on Vietnamese Personalities

42090069p [Editorial Report] The following information on Vietnamese personalities has been extracted from Vietnamese-language sources published in Hanoi, unless otherwise indicated. Asterisk indicates that this is the first known press reference to this individual functioning in this capacity.

Nguyen Cong Ai [NGUYEENX COONG AIS]

\*Vice Chairman of the People's Committee, Ho Chi Minh City; on 28 Oct 88 he read a report on the state of the city's economy to the People's Committee. (Ho Chi Minh City SAIGON GIAI PHONG 29 Oct 88 p 1)

Doan Thuy Ba [DOANF THUYS BA]

\*Vice Minister of Public Health; on 9 Oct 88 she accompanied Tran Xuan Bach, member of the CPV Political Bureau and Secretariat, on his visit to a hospital in Ho Chi Minh City. (NHAN DAN 10 Oct 88 pp 1, 4)

Ta Ca [TAJ CAR]

\*Permanent Vice Minister of External Relations (Thu Truong Thuong Truc in Vietnamese); on 12 Sep 88 he attended a memorial service for the victims of a recent air crash in Hanoi. (KINH TE DOI NGOAI 15 Sep 88 pp 1, 3)

Hoang Bao Chan [HOANGF BAOR CHAAU]

Director of the Hanoi Institute of Folk Medicine, Ministry of Public Health; his article on using medicinal plants appeared in the cited source. (TAP CHI HOAT DONG KHOA HOC Aug 88 inside back cover)

Phan Van Chuong [PHAN VAWN CHUWOWNG]

\*Secretary General for the Vietnam Federation of Organizations for Peace, Solidarity and Friendship (Tong Thu Ky Lien Hiep Cac To Chuc Hoa Binh Doan Ket, Huu Nghi Cua Viet Nam). On 15 Aug 88 he attended a meeting in Hanoi to commemorate the 41st anniversary of India's Independence. (NHAN DAN 16 Aug 88 p 1)

Nguyen Du [NGUYEENX ZU]

\*Member of the CPV Standing Committee and Vice Chairman of the People's Committee, Hai Hung Province; on 12 Oct 88 he attended a ceremony to commemorate the 39th anniversary of the GDR. (NHAN DAN 13 Oct 88 p 4)

Duong Xuan Dam [ZUWOWNG XUAAN DAMJ],  
\*Colonel, Doctor

Recently he gave a report on health care for the elderly at a conference organized by the Rear Services Department. (QUAN DOI NHAN DAN 9 Oct 88 p 1)

Tran Van Dang [TRAANF VAWN DAWNG]

\*Secretary of the CPV Committee, Vinh Phu Province; on 3 Nov 88 he was present at a ceremony to start construction of Viet Tri bridge in his province. (NHAN DAN 5 Nov 88 p 1)

Pham Minh Hac [PHAMJ MINH HACJ]

Minister of Education; recently he toured schools in Hanoi.

**Nguyen Trieu Hai [NGUYEENX TRIEEUJ HAIR]**

Deputy Director of the Education Service, Hanoi; his article on scientific research in education appeared in the cited source. (TAP CHI HOAT DONG KHOA HOC Aug 88 inside back cover)

**Nguyen Trong Hien [NGUYEENX TRONGJ HIENR]**

Deputy Secretary of the CPV Committee and Chairman of the People's Committee, Hai Hung Province; on 12 Oct 88 he attended a meeting in Hai Duong to commemorate the 39th anniversary of the GDR. (HANOI MOI 13 Oct 88 p 4)

**Vu Tuyen Hoang [VUX TUYEEN HOANGF]**

Member of the CPV Central Committee, \*Chairman of the Vietnam-Japan Friendship Association; recently he attended a meeting to review the Association's past activities and make plans for the future. (HANOI MOI 25 Jun 88 p 4)

**Tran Van Hung [TRAANF VAWN HUWNG]**

\*SRV Ambassador to the United Kingdom; his name and position were mentioned in an article (on a violent incident that happened at the SRV Embassy in London) published in the cited source. (Paris QUE ME in Vietnamese Sep-Oct 88 p 13)

**Dang Hui [DAWNGJ HUWUX]**

Member of the CPV Central Committee; \*Chairman of the Vietnam-Soviet Friendship Association; on 5 Nov 88 he welcomed a Soviet delegation visiting Vietnam. (NHAN DAN 6 Nov 88 p 1)

**Nguyen Hui Khuong [NGUYEENX HUWUX KHUWOWNG]**

\*Standing Deputy Director of the Public Security Forces Ho Chi Minh City; recently he was interviewed by the daily SAIGON GIAI PHONG. (Ho Chi Minh City SAIGON GIAI PHONG 16 Aug 88 p 2)

**Pham Van Kiet [PHAMJ VAWN KIEETS]**

Member of the Presidium and Secretary General of the Central Committee of the Vietnam Fatherland Front; recently he attended the Municipal Fatherland Front Congress in Ho Chi Minh City. DAN DOAN KET 8 Oct 88 p 4)

**Van Minh [VAWN MINH], \*Colonel**

His article on changes needed in national defense education appeared in the cited source. (QUAN DOI NHAN DAN 23 Sep 88 p 2)

**Cao Nghi [CAO NGHJ]**

Deputy Director of the Cinematography Department, Ministry of Culture; his article on economic management in the cinematography sector appeared in the cited source. (TAP CHI HOAT DONG KHOA HOC Aug 88 inside back cover)

**Pham Song [PHAMJ SONG], Professor**

\*Acting Minister of Public Health; on 5 Nov 88 he met with Chairman of the Council of Ministers Do Muoi in Hanoi. (NHAN DAN 6 Nov 88 p 1)

**Bui Van Nam Son [BUIF VAWN NAM SOWN]**

\*Chairman of the Association of Vietnamese in the FRG; recently he made a report at the Ho Chi Minh City Fatherland Front Congress. (DAI DOAN KET 8 Oct 88 p 4)

**Chu Pham Ngoc Son [CHU PHAMJ NGOCJ SOWN]**

\*Chairman of the Federation of Scientific and Technical Associations in Ho Chi Minh City; recently he made a report at the Municipal Fatherland Front Congress in Ho Chi Minh City. (DAI DOAN KET 8 Oct 88 p 5)

**Nguyen Quang Tang [NGUYEENX QUANG TAWNG], Colonel aka Nguyen Hong [NGUYEENX HOONGF], deceased**

Member of the CPV; former Director of the Civilian Proselytizing Office, Political Department, 2d MR. Born in 1925 in Tam Thanh District, Vinh Phu Province, he died on 19 Sep 88 in Vinh Phu. (QUAN DOI NHAN DAN 28 Sep 88 p 4)

**Doan Duy Thanh [DOANF ZUY THANH]**

Member of the CPV Central Committee; Minister of External Economic Relations; on 12 Sep 88 he attended a memorial service in Hanoi for the victims of a recent air crash. (KINH TE DOI NGOAI 15 Sep 88 pp 1, 3)

**Nguyen Hui Tho [NGUYEENX HUWUX THOJ]**

\*Chairman of the Presidium of the Vietnam Fatherland Front's Central Committee; on 5 Nov 88 he attended an award ceremony held by the Vietnamese Journalists' Association in Hanoi. (NHAN DAN 6 Nov 88 p 1)

**Phan Thu [PHAN THU], Major General**

\*Director of the Technical General Department. He was interviewed in the cited source about work assignments and increasing production in national defense factories. (QUAN DOI NHAN DAN 28 Sep 88 p 3)

**Nguyen Van Thuong [NGUYEENX VAWN  
THUWOWNGR], Professor**

Director of the Animal Husbandry Institute, Ministry of Agriculture and Food Industry; his article "Gene Resources and Breeder Animals" appeared in the cited source. (TAP CHI HOAT DONG KHOA HOC Sep 88 inside back cover)

**Tran Van Tra [TRAANF VAWN TRAF], Colonel  
General**

On 6 Oct 88 he attended a conference held by the Ho Chi Minh City Municipal Proselytizing Committee to discuss the theme "The People Are the Roots." (Ho Chi Minh City SAIGON GIAI PHONG 8 Oct 88 p 2)

**Nguyen The Trung [NGUYEENX THEES TRUNG],  
Major General, PhD**

\*Director of the Military Medical Institute; recently he chaired a research committee on health care for the elderly. (QUAN DOI NHAN DAN 9 Oct 88 p 1)

**Vu Anh Tuan [VUX ANH TUAANS]**

Chairman of the Hanoi Committee for Friendship and Solidarity With People of Other Nations; on 15 Aug 88 he attended the 41st anniversary of India's Independence in Hanoi. (NHAN DAN 16 Aug 88 p 1)

**Nguyen Dinh Tu [NGUYEENX DINHF TUWS]**

\*Member of the Council of State; Director of the National Institute of Atomic Energy (Vien Nang Luong Nguyen Tu Quoc Gia); on 13 Aug 88 he attended a reception welcoming a delegation from the Indian Committee for Atomic Energy in Hanoi. (NHAN DAN 16 Aug 88 p 1)

**Tran Quang Vinh [TRAANF QUANG VINH],  
\*Colonel**

\*Director of the Technical Department, Navy Command. He was mentioned in an article stressing engine maintenance. (QUAN DOI NHAN DAN 26 Sep 88 p 2)

**Nguyen Chi Vu [NGUYEENX CHIS VU]**

\*Member of the CPV Central Committee; Vice Minister of Light Industry; on 15 Aug 88 he attended a meeting to commemorate the 41st anniversary of India's Independence. (NHAN DAN 16 Aug 88 p 1)

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